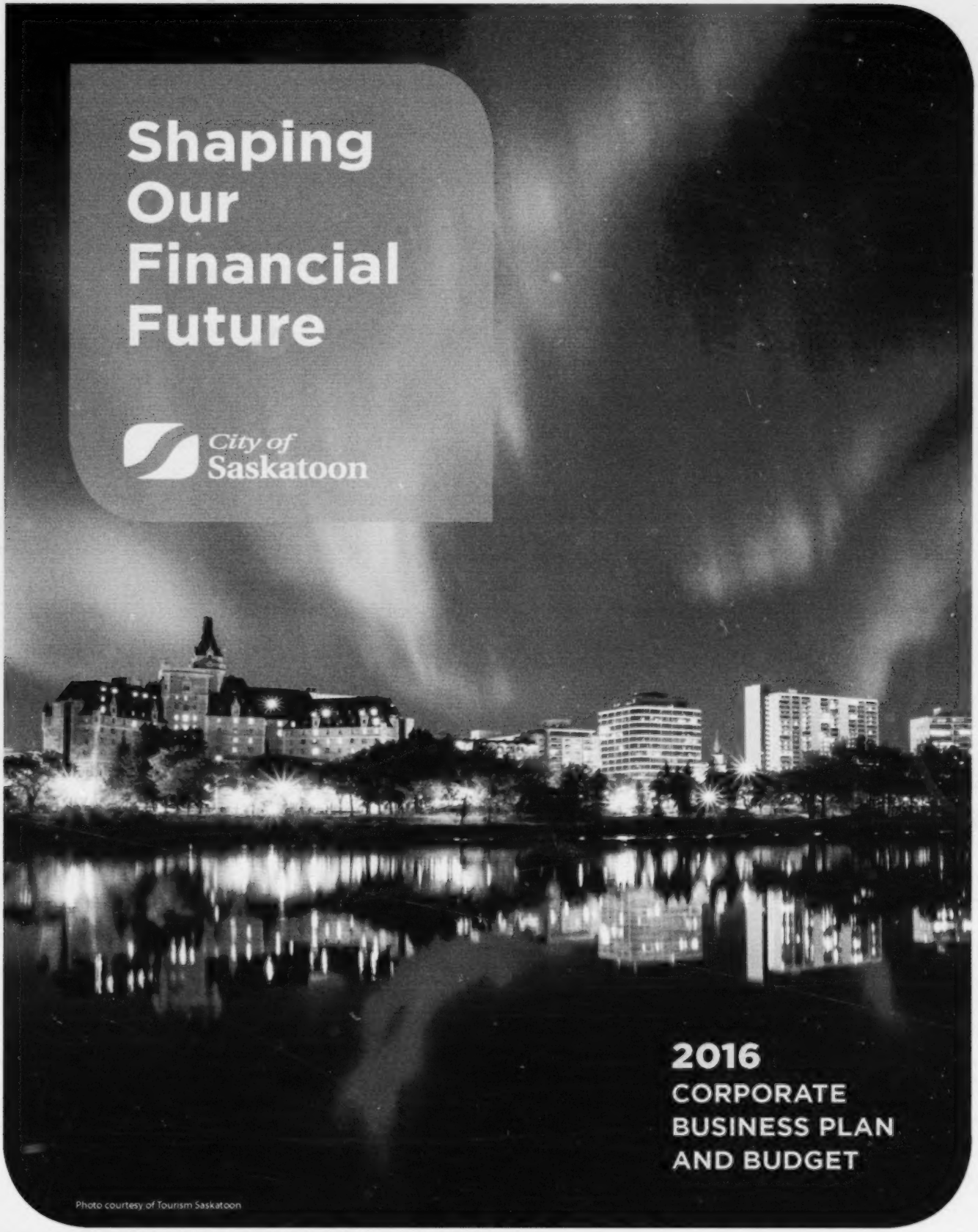
Shaping
Our
Financial
Future
City of
Saskatoon
2016
CORPORATE
BUSINESS PLAN
AND BUDGET
Photo courtesy of Tourism Saskatoon

The *2016 Corporate Business Plan and Budget: Shaping Our Financial Future* will guide our investment activities, projects, service levels and performance measures for 2016 with a disciplined and focused approach. The *2016 Corporate Business Plan and Budget* reflects the priority needs of the community, based on City Council and citizen input.

Shaping Our Financial Future

2016 BUDGET: At a Glance

- A combined **Operating and Capital Investment** of $997 million
- **Total Civic Operating Expenditures** of $458.4 million
  - *Including $445.1 million in Tax-Supported Operating Expenditures*
- **Land Development Operating Expenditures** of $6.4 million
- **Total Utility Operating Expenditures** of $303.4 million
- **Capital Budget Investment** of $228.8 million

Photo courtesy of Tourism Saskatoon

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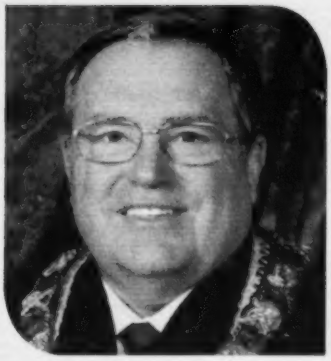


Message from the Mayor

"In Saskatoon we place a high value on our sense of community, and we value our educational, recreational and cultural resources that make our beautiful city – our valued home."

Saskatoon is a *21st Century City* with new and innovative solutions to urban challenges. We are balancing the pressures of an increasing population and costs in order to maintain the high level of civic services the citizens of Saskatoon deserve.

I am pleased to present the *2016 Corporate Business Plan and Budget: Shaping Our Financial Future.*

The strategic decisions of City Council and the Administration have created a sound plan and a budget that focuses on safety and security, infrastructure, continuous improvement and quality of life amenities that make Saskatoon one of Canada's most liveable cities.

Every year in our city and region we reach new milestones. Statistics Canada reported recently that our Census Metropolitan Area is now more than 304,000 people. The City of Saskatoon is now more than 265,000 residents who require access to civic services, programs and infrastructure every day. We are measuring and balancing the demands brought on by our continued growth with the available funds and priorities set out in the City's *2013-2023 Strategic Plan.* This Business Plan and Budget addresses our issues and trends and sets the course for creating a strong, vibrant city for our children and generations to come.

It must be noted that the economic expansion of the last decade has slowed from the break-neck pace of six per cent GDP growth per year, and five per cent annual employment growth, to a more manageable two per cent GDP growth. This normalization now provides the Administration and City Council the opportunity to strategically plan for the future growth of our city.

Saskatoon's economy is one of the most diverse and balanced in all of Canada so the economic headwinds of lower commodity prices are not being felt as dramatically here as in other commodity driven economies. Nevertheless, we are presented with a series of challenges that are addressed in this Business Plan and Budget.

For the first time, the Administration expanded the consultation process in preparing the 2016 Budget to include the entire community. There were many opportunities for citizens to engage in the budget process in person and online. The public consultations began in March of 2015 and continued through the final deliberations in early December.

Two projects in particular were evolutionary in the way they delivered infrastructure while providing significant cost savings to the citizens, as they were both P3 projects. The North Commuter Parkway Bridge/Traffic Bridge Project is underway and slated for completion in late 2018. The capital cost is $252 million. The value for money savings on this project is $26.6 million. The Civic Operations Centre is set for completion at the end of 2016. The capital cost is $160 million, $25 million under the proposed budget with a value for money savings of $92.3 million. Both represent the City of Saskatoon's new and innovative approach to infrastructure.

I love this city and I believe in our citizens. In Saskatoon we place a high value on our sense of community, and we value our educational, recreational and cultural resources that make our beautiful city – our valued home. *The 2016 Corporate Business Plan and Budget* provides a solid foundation on which to sustain our successes, and shape our financial future.

Donald J. Atchison
Mayor
2016

Message from the City Manager

"We enter 2016 with a solid financial position and a thoughtful plan. We believe our economic future is bright and our budget reflects a responsible commitment to building a better city and better quality of life for all our citizens."

I am pleased to present the City of Saskatoon's approved *2016 Corporate Business Plan and Budget: Shaping Our Financial Future.*

Our plans and budget allocations reflect the goals and priorities of our community. Our decisions were based on key City Council priorities set forth in the City's 10-Year Strategic Plan and through extensive consultation with the community.

As part of this process, we identified 25 unique performance targets and indicators to measure our progress toward the City's goals and priorities. We believe in accountability and will provide objective and quantitative data on our performance on an ongoing basis.

Our approach is part of a continuing evolution in the way we work with our stakeholders – the people of our community – and the way we build our annual business plan and budget. For 2016, Administration, with the endorsement of City Council, placed an unprecedented focus on education, awareness and public engagement.

Ultimately, our objective is to create a more transparent and accountable budget process that invites and includes public participation throughout the year.

A Process Built on Consultation

Through our various *Shaping Our Financial Future* public engagement opportunities, residents were invited to 'have their say' on the City services they valued the most, and to share their priorities and preferences around the City's preliminary budget. This valuable public feedback was then considered by City Council prior to final deliberations.

The Administration also produced a series of short videos and tabled several reports and presentations in public to identify the key challenges and important opportunities we will face together in 2016. Our videos and presentations are available saskatoon.ca/financialfuture.

As a growing municipality, we face many challenges that can make it difficult to remain focused on our goals and priorities. Some challenges are larger than we can handle alone and require us to find new and innovative ways to address issues and to seek assistance from other orders of government.

As we execute our plan and shape our financial future, we will continue to consult with you and report on our progress.

A Focus on Your Priorities

In addition to providing a valuable and wide-ranging list of ideas to keep our City moving forward, our consultations identified priority areas that will be the focus of our available resources: infrastructure, our transportation network and emergency services. By focusing on these priorities, we can operate with the fiscal prudence required to protect our enviable AAA credit rating.

Infrastructure: Our growing city and aging infrastructure are challenges we must address today. The *2016 Corporate Business Plan and Budget* provides detailed action plans and resource requirements to meet our operational needs, improve our infrastructure and achieve City Council's priorities and strategic goals.

Building Better Roads: Based on our public engagement and City Council's direction, we are making a combined investment of approximately $58.6 million to improve road conditions through our Building Better Roads program. Our investment for 2016 is $5.1 million more than allocated in 2015 and $8.1 million more than in 2014.

Emergency Services: Our 2016 plan includes an increase to the Police Budget of $4.3 million, or 5.3 per cent over 2015, to add more police officers to our streets.

Delivering improved services to a growing community while maintaining a responsible approach to financial management is a constant focus. The Administration is determined to find innovative solutions to efficiently use resources by moving funds from lower-priority services to support areas that residents have told us they value most.

With this approach, we can make the necessary investments into priority programs and services while limiting the property tax increase to residents and enhancing Saskatoon's high quality of life.

A Commitment to Innovation and Efficiency

Our process is shaped by a corporation-wide commitment to Continuous Improvement (CI), as we are taking a systematic look at what we do and how we do it with the goal of driving innovation, cost savings and efficiencies. The *2016 Corporate Business Plan and Budget* renews this commitment to CI, as the City is implementing approximately $1.35 million in operational efficiencies to reduce costs associated with delivering City programs and services.

A Bright Future

We recognize that our city, our province and our country face a degree of economic uncertainty, driven in part by lower commodity prices. Our plan reflects this reality, while recognizing that Saskatoon's diverse economy continues to hold tremendous potential. We continue to work on improving our service delivery, building amenities, managing expenditures and growing our revenues. *Shaping Our Financial Future* will guide our investments, projects, and service levels so that the City of Saskatoon accomplish the priorities of our citizens and the goals of our 10-Year Strategic Plan.

We enter 2016 with a solid financial position and a thoughtful plan. We believe our economic future is bright and our budget reflects a responsible commitment to building a better city and better quality of life for all our citizens.

Murray Totland, P.Eng., MBA

City Manager

2016

Executive Summary

The City of Saskatoon's *Corporate Business Plan and Budget* is perhaps the most important document the City creates. It is driven by the City's *2013-2023 Strategic Plan.* Together, they aim to balance the pressures of the increased costs of maintaining existing services and the requirements of a growing city with available funding and resources.

Photo Courtesy of Tourism Saskatoon/Nick Biblow

The *2016 Corporate Business Plan and Budget* charts a detailed course that the City will take over the next year, and determines the projects, programs, and services that the City will deliver to over 260,000 residents. The business plan and budget sets the direction that the Administration will follow to ensure that it is meeting the strategic objectives of City Council and the daily needs of the people it serves.

As the City of Saskatoon prepares for 2016 and beyond, it will need to confront several important issues that will help it achieve the vision, priorities and goals set out in the City of Saskatoon's 10-year Strategic Plan. Clearly, the most important issue facing Saskatoon is accommodating growth.

Between 2011 and 2014, the Saskatoon Census Metropolitan Area (CMA):

- experienced exceptionally strong economic growth averaging almost six per cent annually;
- averaged annual employment growth over five per cent per year; and
- saw personal income per capita increase by 3.5 per cent annually.

Equally as impressive, is the fact that Saskatoon itself has added over 30,000 new people since that time; many of whom access City programs, services and infrastructure on a daily basis.

Saskatoon's strong economic growth slowed in 2015, largely in response to lower commodity prices and an overall downturn in the Canadian economy in the first half of the year. The Conference Board of Canada's Spring Metropolitan Outlook forecast economic growth in the Saskatoon region to be higher in 2016 than in 2015. Over the next three years, the City is expected to grow, but not at the record growth rates we experienced prior to 2015.

In 2016:

- Saskatoon's economy is forecast to grow by over two per cent to more than $18 billion;
- Saskatoon's population will increase by approximately 6,000 people to about 270,000, with many being new immigrants to Canada;
- Saskatoon's personal income per capita will increase by about one per cent as average annual wages increase to over $47,500;
- Approximately 2,000 more people will be working in Saskatoon and the unemployment rate will decrease to 4.7 per cent; and
- Saskatoon's inflation rate will be approximately 2.2 per cent.

Although Saskatoon will not be immune to the effects of lower oil prices, our city's diversified economy will help to mitigate those impacts. Saskatoon's dynamic service sector, including retail, health, education, recreation and culture will continue to attract people to our city.

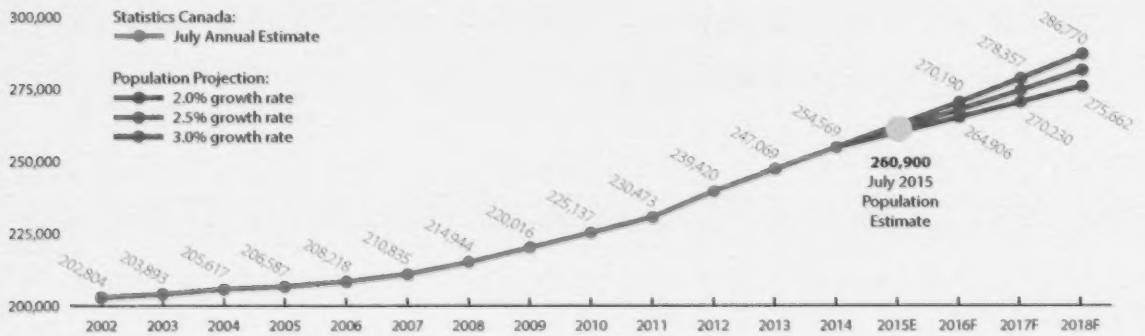
Notwithstanding the economic slowdown in 2015, this pace of growth raises some important questions for the City of Saskatoon as it prepares the *2016 Corporate Business Plan and Budget*:

- How does the City build the infrastructure and amenities needed for tomorrow, while repairing and maintaining its existing assets required for today?
- How does the City deliver the programs and services that are crucial to the day-to-day lives of the people of Saskatoon in an affordable and efficient way?
- How does the City pay for growth?
- How does the City reduce its reliance on the property tax to fund the projects, programs and services that are important to City Council and the people of Saskatoon?

In answering these questions, the City must make intelligent decisions about how it allocates resources, builds infrastructure and delivers services so that it can continue to maintain its high quality of life and ensure prosperity and opportunity for all.

In doing so, the City of Saskatoon requires the help of its 260,000 residents. While the City has sought input from

Saskatoon CSD Population, July 2002-July 2018F



Source: Statistics Canada, July Annual Population Estimates (based on 2011 Census Data), City of Saskatoon Population Projection

residents on a variety of important initiatives, such as its *Growing Forward* Plan—a plan that will help shape the way the city will grow over the next 30 years—it has not done so in any meaningful way with respect to developing the City's annual business plan and budget, until now.

Shaping the *2016 Corporate Business Plan and Budget*

In April 2015, the City of Saskatoon unveiled a new process to build the *2016 Corporate Business Plan and Budget*. Fundamental to this process was the inclusion of an extensive public education and engagement plan to provide the citizens of Saskatoon with the opportunity to participate in the annual budget process by *"Shaping Our Financial Future"*.

Below, an illustration of this new process. As the graphic illustrates, the primary focus of this new budget process was on public education and engagement. In contrast to previous years, where education and engagement were limited, City Council and the Administration believed that in order to produce a business plan and budget that meets the expectations of the citizens of Saskatoon, a greater emphasis on public education and engagement was required.

In keeping with the objectives of the new business plan and budget process illustrated below, the Administration tabled several reports and presentations with the Executive Committee beginning in April to begin to shape the *2016 Corporate Business Plan and Budget*.

Reports, accompanying presentations and educational videos presented to City Council as part of the *2016 Corporate Business Plan and Budget* Process can be accessed at the City's *Shaping Saskatoon's Financial Future* website: *saskatoon.ca/financialfuture*.

What We Heard

In June 2015, the doors of City Hall were opened to ask the public for their views on City projects, programs and services, and indeed, how best to pay for them. This was the first time in recent history that the City of Saskatoon engaged the public directly in building the annual business plan and budget.

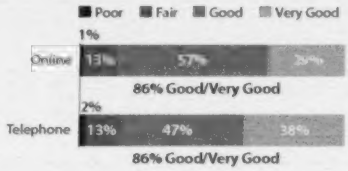
2015 Civic Services Survey

The Annual Civic Services Survey was another important way in which the citizens of Saskatoon were able to participate in the budget building process.

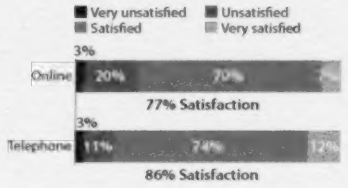
The City conducted 500 telephone surveys and 821 online surveys between May 11 and June 2, 2015. This year 25 per cent of telephone respondents were from a cell phone list to reach younger and cell phone only households. The following provides some highlights of the survey.

Quality of Life and Satisfaction With Services

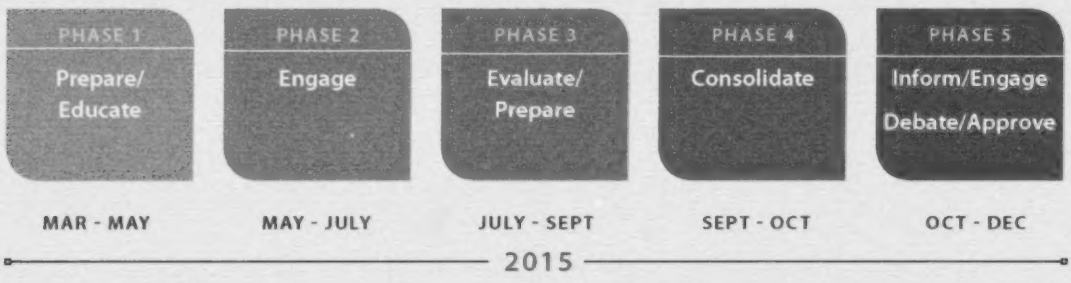
- **Quality of life** in Saskatoon continued to be rated high, with 85 per cent of telephone and 86 per cent of online respondents rating it as either good or very good. This was consistent with the 2014 findings (86 per cent online, 86 per cent telephone).



- **Overall satisfaction** with the level of service provided by the City remained high. The majority of telephone respondents (86 per cent in 2015 and 2014) and online respondents (77 per cent in 2015 compared to 79 per cent in 2014) were satisfied.



Phases of the *"Shaping Our Financial Future"* Business Plan And Budget Process

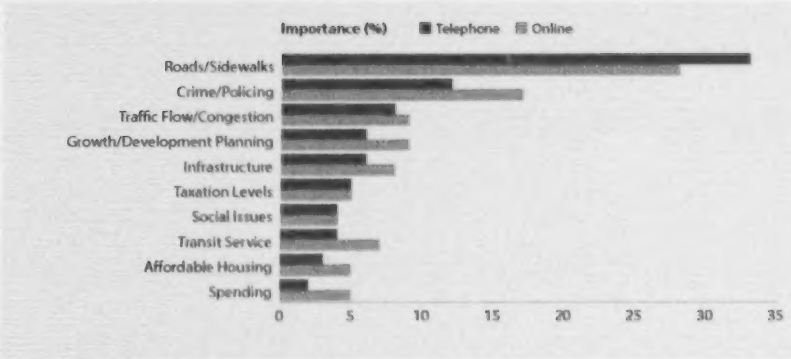


2015 Civic Services Survey

continued...

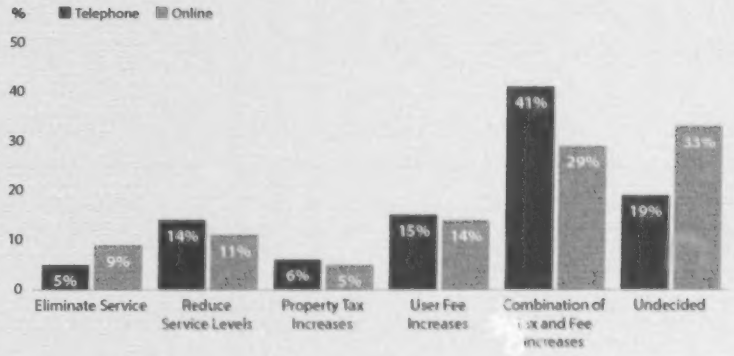
Most Important Issues Facing the City

Roads continued to be the dominant issue (33 per cent telephone, 28 per cent online). The top ten most frequent issues were generally the same as the 2014 Survey.

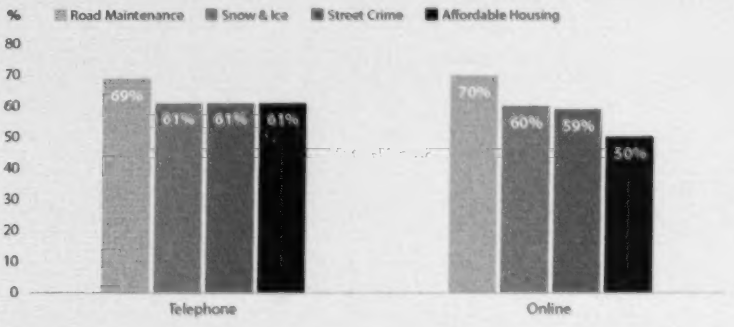


Hot Topics

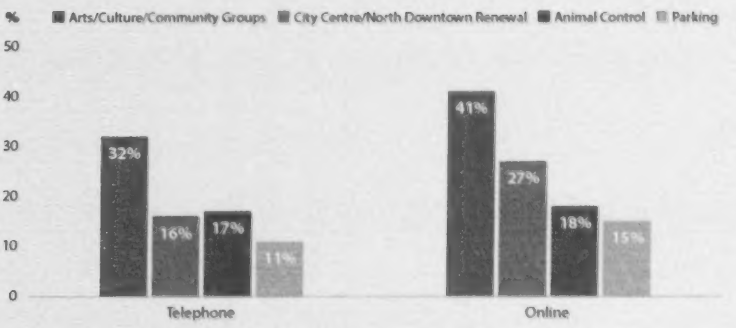
- When asked what citizens most preferred the City to use to balance the budget, respondents preferred a combination of user fee and property tax increases (41 per cent telephone, 29 per cent online). However, a sizable portion of online respondents were unsure as to what was the best tool the City should use to balance the 2016 budget (19 per cent telephone, 33 per cent online).



- Citizens were asked whether they believed the City should spend more, less, or the same amount on 33 different services. Citizens most strongly believed more funding should be allocated to road maintenance, snow and ice, street crime and affordable housing.



- Survey participants liked less spending on arts and cultural groups and community organizations and, to a lesser degree, renewing the city centre and north downtown.



Public Engagement

In June 2015, the Administration held various *"Shaping Our Financial Future"* public engagement opportunities. A variety of ways to participate were available to allow everyone to have their say depending on an individual's available time and interest.

1. ***Shaping Our Financial Future* Town Hall**: Councillor Conversation Corner, Open House and a Special Executive Committee Meeting.
2. **Keeping It Digital – *Shaping Our Financial Future* Live Survey:** Survey was made available on saskatoon.ca and *Shaping Saskatoon*. 83 participants responded to the survey.
3. **Taking It on the Road – *Shaping Our Financial Future* In-Person Survey**: 172 citizens participated in intercept surveys and viewed interactive displays at the following locations:
   - City Hall Civic Pancake Breakfast
   - Saskatoon Farmers' Market
   - Frances Morrison Library
   - Saskatoon Field House

Generally, the findings from the June Public Engagement activities were similar to the results of the 2015 Annual Civic Services Survey. The majority of participants preferred:

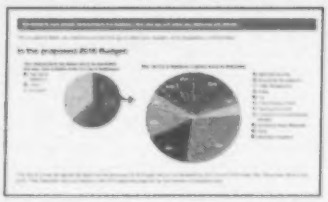
- To balance the 2016 budget using a combination of user fees and property tax increases versus service reductions or eliminations;
- Spending increases for the maintenance of major roadways, snow and ice, street crime and affordable housing;
- Funding decreases for arts and cultural groups; and
- Roads/sidewalks, spending efficiencies, crime/policing and transit services were identified as the top priorities where City Council should focus its attention for the 2016 Budget.

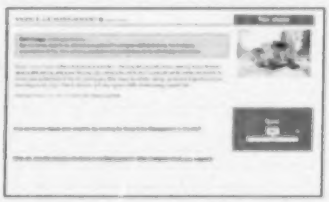
Online Citizen Budget

Many municipalities are now using an interactive budget simulator as a method for educating the public and conducting online consultations. In 2015, the Administration used the online Citizen Budget to educate residents on the budget process, inform residents of costs and trade-offs, and demonstrate our ongoing commitment to community engagement.

The Online Citizen Budget:

- Provided information for citizens about how the Administration prepared the 2016 Preliminary Budget;
- Offered an opportunity to reconfirm earlier public input on where the City should spend more, less or about the same on a variety of civic services; and
- Allowed participants to view the proposed expenditure assigned to various Business Lines/Services and indicate if they would increase, decrease, or maintain the amounts proposed in the 2016 Preliminary Budget.





The public input was used to assess whether the 2016 Preliminary Budget generally addressed citizen needs and expectations for various programs and services.

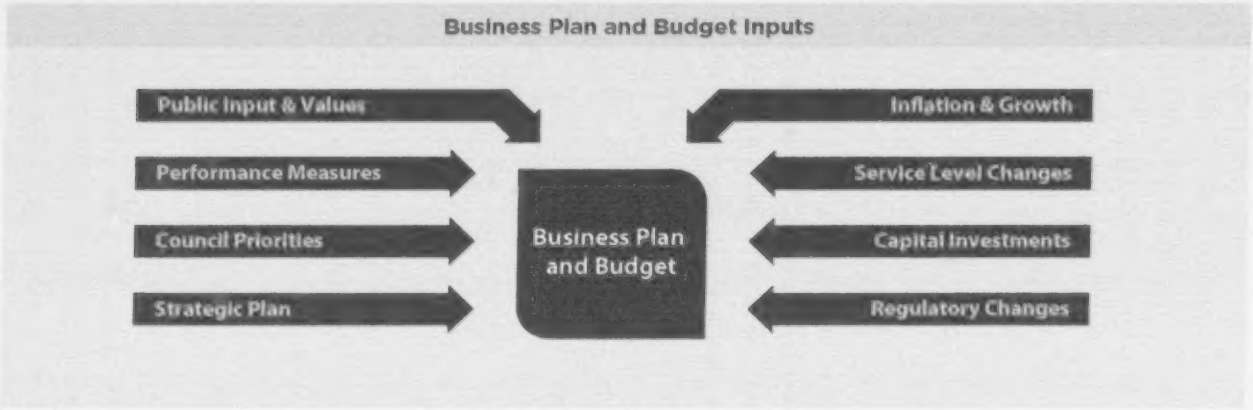
Educational Resources and Tools

A variety of educational resources and tools were created for the *2016 Corporate Business Plan and Budget* engagement activities. All of the tools and resources were developed using plain language and incorporating imagery. The City also took a digital approach first while still complementing it with traditional tools.

- **Saskatoon.ca** – the website was regularly updated to include new information on how citizens could get involved. Any documents related to the 2016 Budget process, including related public reports, articles and presentation materials are available and listed by month at *saskatoon.ca/financialfuture*.
- **Social Media** – information was posted to the City's Facebook and Twitter pages. A Facebook Event page was created and used to promote upcoming engagement activities.
- **A video series** was created to help inform citizens on a variety of budget topics including:
  - How Your City Budget Works
  - How Municipal Tax Differs from Federal and Provincial Tax
  - What Contributes to Property Tax Increases

Building the Corporate Business Plan and Budget

In addition to the extensive and valuable public input, the Administration used several other related inputs to build the *2016 Corporate Business Plan and Budget*. These inputs are illustrated here.



The left side of the graphic generally addresses those strategic "bigger-picture" inputs into the business plan and budget. In other words, the Strategic Plan, City Council's Priorities and Performance Measures all help to provide the strategic direction for the Business Plan and Budget. These are fundamental inputs into the process as they help to ensure the business plan and budget is following some general strategic objective and not simply the Administration's "best guess" as to where to allocate resources.

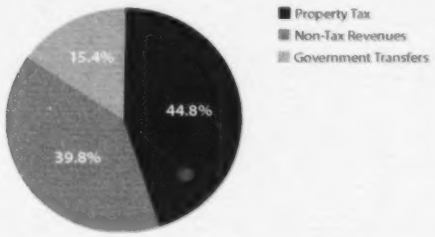
The right side of the graphic addresses those items that have a greater financial impact on the City's day-to-day operations. Inflation, growth, service level changes, capital investments and regulatory changes are more operational inputs that fundamentally impact the expenditures and revenues of the City.

The Property Tax and Service Mix

As the City of Saskatoon began *Shaping Our Financial Future*, one of the fundamental questions that this new process attempted to answer is how the City reduces its growing reliance on the property tax to pay for City programs and services.

There is a widely held perception that the City of Saskatoon pays for its operating budget expenditures through property taxes only. This perception requires some clarification. In 2015, property tax revenues accounted for about 45 per cent of all revenues with the remaining 55 per cent coming from other non-tax sources—such as user fees, licences and penalties, and transfers from other orders of government.

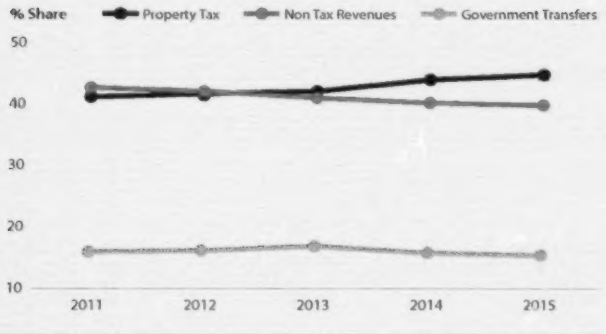
Operating Revenues by Major Source



Despite the fact that the property tax funds less than half of the City's 2015 operating budget, concerns have been raised in Saskatoon that property tax increases in recent years have been greater than normal. To investigate this issue, the City engaged the services of Hemson Consulting Ltd. One of the consultant's main findings was that the growth in the City's non-tax revenues have been declining as a share of the budget, resulting in a greater reliance on property tax to fund City operations.

The following graph illustrates this trend. The share of the property tax has increased from a low of 41.2 per cent of the budget in 2011 to 44.8 per cent of the budget in 2015. By contrast, the City's own-source, non tax revenues have declined from 42.7 per cent of the budget in 2011 to 39.8 per cent of the budget in 2015.

Share of Operating Revenues by Source



Should this trend be a cause for concern? Should the City reverse this trend? The short answer is: it depends. It depends on the type of service that the property tax funds.

The City of Saskatoon provides over 70 services that residents rely on every day. The City maintains roads and parks, operates public transit, manages water and wastewater, offers solid waste collection and recycling services, supports arts, culture and recreation opportunities, and is responsible for public safety through the delivery of police and fire services, to name a few of the most important. The City has direct local control over these services and is responsible for establishing their service levels and the way in which they are paid for.

As addressed in the discussion paper "Paying for City Services", tabled with the City's Executive Committee in August 2015, the services provided by the City have distinguishable characteristics that help differentiate them. This can be best illustrated through the continuum shown below.

By using the appropriate revenue instruments to pay for the right types of City services, there is the potential opportunity to ensure that the City's non-tax revenues will, at the very least, keep pace with the costs associated with delivering its operating programs and services.

In recent years, the City has been making substantial investments in road maintenance and public safety. As such, it only stands to reason that, based on the above analysis, property tax increases would be higher than usual to pay for the costs of increasing these service levels. In other words, the property tax is the best method to pay for these services.

Optimal Ways to Pay for City Services

Public Good	Blended/Merit Good	Private Good
• Full Tax Support • No User fees	• Partial Tax Support • Partial User fees	• No Tax Support • Full User fees
WHY?	**WHY?**	**WHY?**
• Provide collective benefits to society • Users cannot be excluded for non-payment	• Benefit both individuals/society • Fees do not cover full cost • Users can be excluded for non-payment	• Benefit the individual using the service • Fees cover the full cost of the service • Users can be excluded for non payment

Highlights of the 2016 Corporate Business Plan And Budget

How were the public engagement results and the other inputs integrated into the *2016 Corporate Business Plan and Budget?*

Based on the public engagement results and the direction established in the City's Strategic Plan, City Council Priorities and Performance Measures, the *2016 Corporate Business Plan and Budget* includes:

- **A combined Operating and Capital Investment of** $997 million
- **Total Civic Operating Expenditures of** $458.4 million
  - **Including** $445.1 million **in Tax-Supported Operating Expenditures**
- **Land Development Operating Expenditures of** $6.4 million
- **Total Utility Operating Expenditures of** $303.4 million
- **Capital Budget Investment of** $228.8 million
- **An increase of** 3.96% **required from property taxes, distributed as follows:**
  - 1.95% **increase for the Building Better Roads Program**
  - 0.20% **increase for the Traffic Noise Attenuation Program**
  - 0.55% **increase for Snow and Ice Management**
  - 1.53% **increase for the Saskatoon Police Service**
  - 0.69% **increase for Fire Protection**
  - 0.96% **decrease for remaining City Operations**

More specifically, the *2016 Corporate Business Plan and Budget* includes:

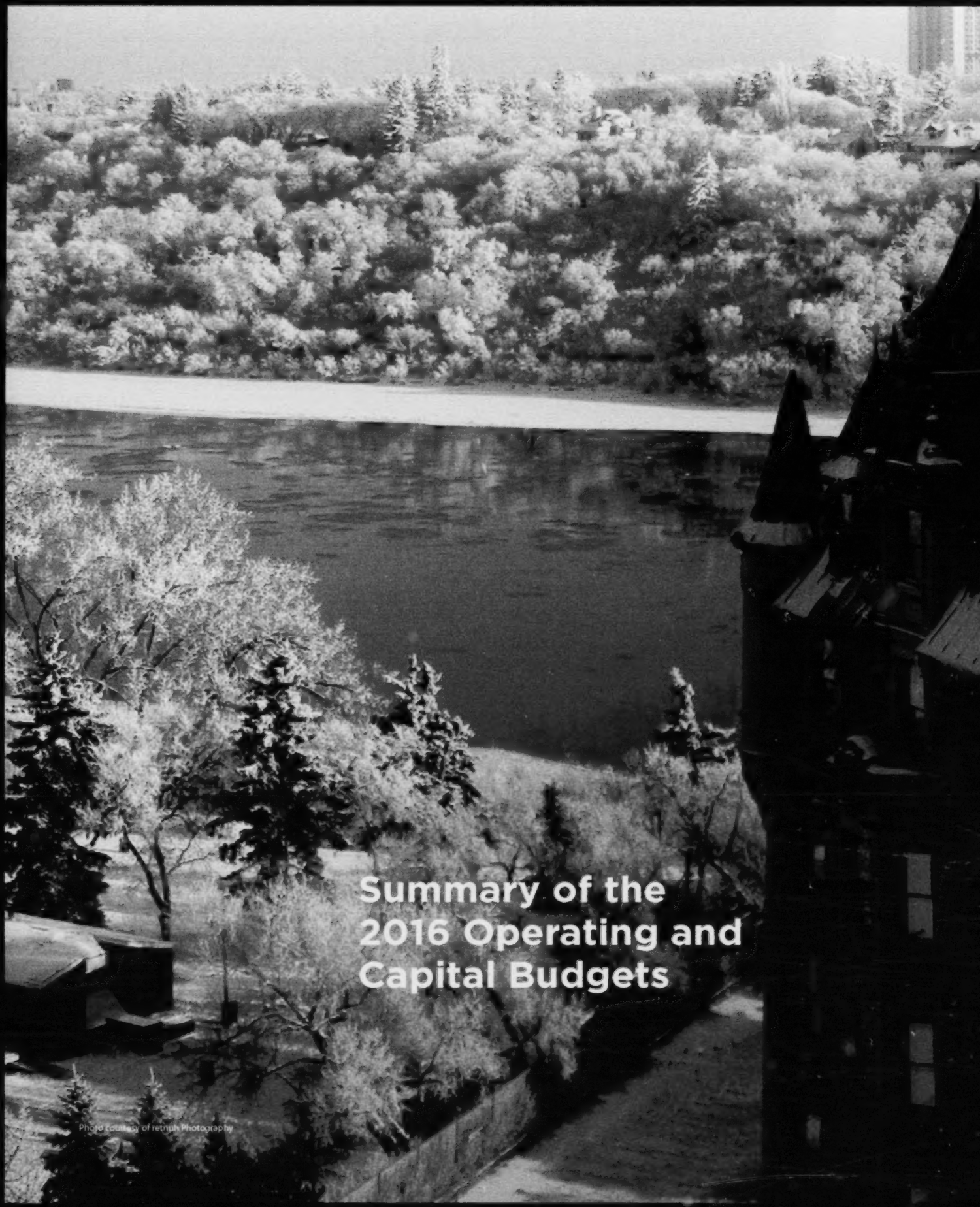
- **A combined investment of approximately** $58.6 million **to improve road conditions, through the City's Building Better Roads program.**
  - The Building Better Roads program—which started in 2014—has progressively added more resources to Saskatoon's road network and their related services, including snow and ice clearing and street sweeping.
  - The investment for 2016 is about $5.1 million higher than that provided in 2015, and approximately $8.1 million more than when the program started.
- **An increase to the Police Budget of** $4.3 million, **or 5.3% over 2015.**
  - This includes funding for an additional eight new officers to improve the police presence throughout the city.

The City has been able to make the necessary investments in the programs and services that matter most to residents, while proposing a reasonable property tax increase. This could not be accomplished without the City of Saskatoon's commitment to continuous improvement.

In December 2013, the City of Saskatoon implemented a "Continuous Improvement (CI) Strategy." The goal of this strategy is twofold: (1) to capture the benefits of organizational innovation and efficiency in the delivery of public services; and (2) to align with and achieve the City's Strategic Goal of a Culture of Continuous Improvement.

The *2016 Corporate Business Plan and Budget* renews this commitment to CI, as the City is implementing approximately $1.35 million in operational efficiencies so as to reduce the costs associated with delivering City programs and services.

The investments in roads and public safety, and the commitment to finding operational efficiencies are in keeping with the public sentiment echoed in the *Shaping Our Financial Future* public engagement activities.



Summary of the 2016 Operating and Capital Budgets

Photo courtesy of retnuh Photography

The City of Saskatoon provides the infrastructure and delivers several programs and services necessary to improve the city's high quality of life. Roads, bridges, pathways and public transit that move people; police, bylaws and fire services to keep people safe; parks, waste management and drainage to keep neighbourhoods clean and healthy; and social programs and leisure activities to make Saskatoon a great place to live, work and visit. These core areas reflect the top priorities of the City of Saskatoon and the public it serves.

To achieve these priorities, the City of Saskatoon prepares an annual business plan and budget that allocates the financial, human and technological resources to infrastructure and various programs and services. In terms of the budget, the City of Saskatoon generally produces three distinct types of Budgets each year: (1) Operating; (2) Capital; and (3) Land Development.

The City of Saskatoon's Operating Budget allocates the costs for civic services and programs that the people of Saskatoon rely on each and every day. It also matches the sources of revenue to pay for those services, including property taxes, user fees, licences and government grants.

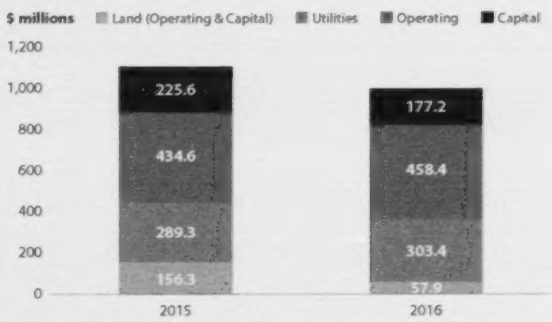
The City's 2016 Civic Operating Budget has two components: (1) total operating and (2) tax-supported operating. The major distinction between these two components is that total operating includes self-funded services/programs that have no financial implications on the property tax. Examples of these types of services/programs include Golf Courses, Building Permits and Land Development.

The tax-supported component, by contrast, includes those services/programs that have financial implications on the property tax. Although some of these programs/services may not be funded exclusively by the property tax, they do receive some level of tax support. Access to recreation facilities and public transit are a couple of services that are paid for by both user fees and property taxes and are included in the tax-supported expenditures.

The 2016 Operating Budget includes:

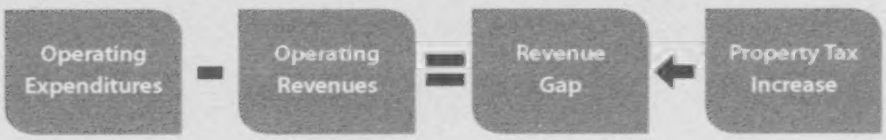
- Total operating expenditures for Civic Operations (excluding Land Development & Utilities) of $458.4 million, an increase of $23.8 million, or 5.5 per cent, over the 2015 Approved Operating Budget.
  - Included in the total expenditures for Civic Operations are Tax-supported operating expenditures of $445.1 million for 2016, an increase of $23.7 million or 5.6 per cent, over the 2015 Approved Operating Budget. The Tax-supported operating expenditures represent about 97 per cent of total operating expenditures for civic operations.
- Total Land Development operating expenditures of $6.4 million, a decrease of $2.1 million, or 24 per cent less than the 2015 approved operating budget.
- Total operating expenditures for Utilities of $303.4 million, an increase of $14.0 million, or 4.9 per cent over the 2015 approved Utilities Operating Budget.

2016 Approved Budget



As required by *The Cities Act*, the City of Saskatoon must pass a balanced operating budget each year. In other words, the legislation mandates that the City cannot budget for an operating surplus or deficit, unlike federal and provincial governments. As a result, the City collects the necessary amount of property tax required to balance the budget after applying all other revenue sources. If a revenue gap exists, then the property tax increase fills this gap. This point is illustrated in the following figure.

The Balanced Operating Budget Equation



To help pay for the City's operations and to ensure the budget is balanced, the 2016 Operating Budget includes an increase of 3.96 per cent in revenues received from property taxes. In 2016, a one per cent property tax increase is equivalent to $1.89 million. Thus, the increase for 2016 will generate an additional $7.48 million for the City of Saskatoon's Operating Budget, distributed as follows:

- 0.2%, or $0.38 million, for the debt repayment on future traffic noise attenuation projects
- 1.95%, or $3.69 million, dedicated to the maintenance of roadways
- 0.55%, or 1.04 million, for snow and ice management
- 1.53%, or $2.89 million, for the Saskatoon Police Service
- -0.27%, or $0.52 million, decrease allocated to pay for expenditures associated with all other programs and services.

In contrast to the City's Operating Budget, the City of Saskatoon's Capital Budget provides the investments in hard infrastructure. This includes the construction of buildings (like recreation centres and libraries), transportation assets (like new roads and bridges) and neighbourhood infrastructure (like sidewalks and water lines).

For 2016, the City of Saskatoon is investing $228.8 million in various capital projects, including Land Development. This is a reduction of over $144.6 million, or 39 per cent, from the 2015 approved Capital Budget.

The City utilizes a variety of revenue sources and tools to pay for the projects contained in the capital budget, such as borrowing, government grants, utility rates and reserves to name the most prominent. Although the City's capital and operating budgets achieve different objectives, there is a relationship between the two.

For example, to pay for some of the capital projects the City of Saskatoon makes transfers from the operating budget to various reserves; these reserves are then used to help pay for the capital costs of various projects. Similarly, when the City borrows to pay for capital projects, the debt repayment comes from the City's operating budget.

Once the projects in the capital budget are fully constructed or operational, the City is required to pay for the maintenance and/or the operation of the project. For example, when the City builds a new bridge there is an obligation to ensure the bridge is maintained. When the City constructs a new recreation centre there is an obligation to ensure there is enough staff to operate the building. These obligations, therefore, will have an impact on the operating budget.

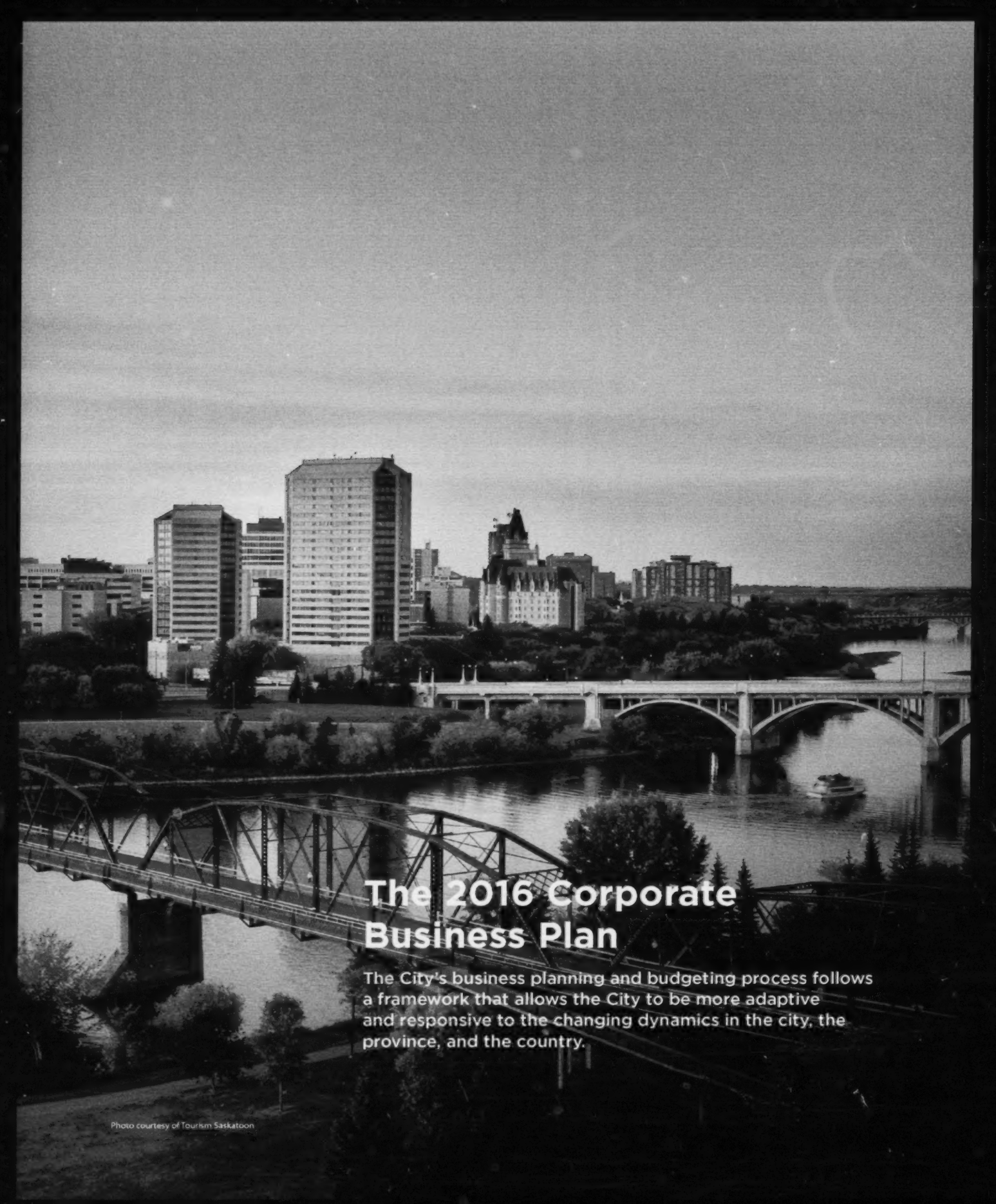
The 2016 Operating and Capital Budgets combined include an investment of approximately $58.6 million to improve road conditions. This investment continues to build on the City of Saskatoon's Building Better Roads program—which started in 2014—to allocate more resources to its road network and their related services, including snow and ice clearing and street sweeping.

In order to accomplish the objectives of the Building Better Roads program, the 2016 Operating Budget includes an additional funding contribution from the Water and Wastewater utilities of $2.0 million as well as a property tax increase of 1.95 per cent that is strictly dedicated to improving Saskatoon's road network. This is the third year of a four-year phase-in of the dedicated roadways to achieve the required service level established by City Council.

As noted in the graph below, the 2016 investment is an increase of more than $5.1 million over the 2015 Budget and over double the investment since 2011.

Roadways Investment Total

Including back lanes and boundary roads



The 2016 Corporate Business Plan

The City's business planning and budgeting process follows a framework that allows the City to be more adaptive and responsive to the changing dynamics in the city, the province, and the country.

Photo courtesy of Tourism Saskatoon

Introduction

The *2016 Corporate Business Plan and Budget* includes initiatives and projects that are aligned with the 2013- 2023 Strategic Plan. It will guide investments, projects and service levels that the City will implement and achieve over the course of 2016. The budget provides the financial plan to support the business plan; it aims to balance the pressures of the increased costs of maintaining existing services and the requirements of a growing city with available funding and resources.

The Business Plan outlines the achievements, key challenges, major initiatives, continuous improvement initiatives and initiatives supporting the corporate performance measures planned within the following 13 business lines:

- Arts, Culture and Events Venues
- Community Support
- Corporate Asset Management
- Corporate Governance and Finance
- Environmental Health
- Fire Services
- Land Development
- Policing
- Recreation and Culture
- Taxation and General Revenues
- Transportation
- Urban Planning and Development
- Utilities

Note: Saskatoon Public Library is not included.

The City's planning process ensures resources are allocated to various programs and services within these business lines, and resources are tied to clear and achievable plans. The operating and capital budgets are integrated for effective resource management. The process also provides a framework, which allows the City to adapt and respond quickly to changing municipal, provincial and federal dynamics.

Strategic Direction of The *Corporate Business Plan and Budget*

The 10-Year Strategic Plan

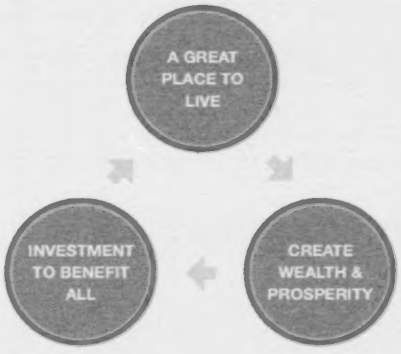
Developed with input from the Community Vision, the City's 10-Year Strategic Plan outlines what is important in the near-term and where the City of Saskatoon needs to focus its energy. It includes an overarching mission, values and leadership commitments which define how the City conducts business and empowers its employees to embrace change.

For each of the seven Strategic Goals outlined in the Strategic Plan, implementation strategies are developed through the annual *Corporate Business Plan and Budget* process to ensure that the City is continuously progressing towards achieving the goals. The City will continue to monitor performance as it brings Saskatoon's collective community vision to life.

Our Vision

Saskatoon is a great place to live, where sustainable growth enables the community to invest for the benefit of all.

In 2030, Saskatoon is a world-class city with a proud history of self-reliance, innovation, stewardship and cultural diversity. Saskatoon is known globally as a sustainable city loved for its community spirit, robust economy, cultural experiences, environmental health, safety and physical beauty. All citizens enjoy a range of opportunities for living, working, learning and playing. Saskatoon continues to grow and prosper, working with its partners and neighbours for the benefit of all.



Did you know?
More than 8,500 additional people chose to call Saskatoon home in the last year.

Our Mission

The City of Saskatoon exists to provide excellent local government through leadership, teamwork, partnership and dedication to the community. We will be innovative and creative in the efficient and effective delivery of public services for the economic, environmental, social and cultural well-being of the community. Our mission statement describes why our corporation exists, who we serve and what services we provide. The City's Business Lines link to the services we provide our citizens.

Our Values

Our Strategic Goals will be achieved through the talent, creativity and commitment of staff who demonstrate our five workplace values every day.

- Trust
- Integrity
- Respect
- Honesty
- Courage

Our Leadership Commitments

The City of Saskatoon's leadership commitments are another critical ingredient that helps to accomplish the vision and mission. We value and need people who demonstrate our four leadership commitments throughout their daily activities and in a manner that helps to achieve the Strategic Goals:

- **Reliable and Responsive Service**
  As leaders, we are proud to serve the public.
- **Strong Management and Fiscal Responsibility**
  As stewards, we lead.
- **Effective Communication, Openness and Accountability**
  As leaders, we do what we say.
- **Innovation and Creativity**
  As leaders, we generate new ideas.

Our Strategic Goals

The purpose of the Strategic Goals, as identified in the 2013-2023 Strategic Plan, is to emphasize the areas that the community and City Council have identified to realize the vision and accomplish the mission over the next 10 years.

4-Year Priorities and 10-Year Strategies

The 2013-2023 Strategic Plan charts a clear course for the next several years and provides a focus for new ideas and initiatives. City Council identified a number of priorities that were important to achieve the goals and strategies within the Strategic Plan.

Individual business lines identify the Strategic Goal(s) which it serves, and incorporates the major initiatives planned for 2016-2018. The major initiatives to be implemented address one of three areas of focus:

- the 4-year priorities and/or 10-year strategies which support the Strategic Plan,
- key challenges or risks identified by the business line,
- corporate performance measures supporting achievement of Strategic Goals

The business line overviews also include continuous improvement initiatives that will increase efficiencies in our programs and services and/or improve the effectiveness of service delivery to citizens.

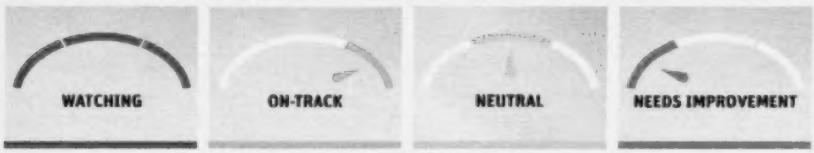
PERFORMANCE IMPROVEMENT:
Making Strides Towards The Strategic Goals

Performance measures are a way of monitoring progress toward achieving the City's Strategic Goals, and determining whether the investments are achieving the intended results.

In 2015, about 500 citizens, stakeholders and staff provided feedback to proposed measures and investment priorities. City Council considered the responses and approved 25 bold targets and indicators as measures of success. The measures have been used as inputs to guide decisions in the 2016 business planning and budget process. Reporting on progress towards our targets will increase accountability to citizens and contribute to the City's Strategic Goal of "A Culture of Continuous Improvement."

Saskatoon's Performance Improvement Plan – Making Strides was launched in 2015; improves transparency by providing citizens with an overview on our website of the City's progress and performance toward our Strategic Goals and targets, along with actions to deliver quality programs and services through continuous improvement. The *Our Performance* page on the website includes three components:

The Performance Dashboard provides a snapshot of the City's progress in achieving the measures. It also gives citizens a look into how the City is progressing—where it needs to improve and where it is making strides—and identifies strategies to help it meet those goals.



The **City Spotlight** highlights progress and achievements of divisions, teams and individuals in helping the City reach greater efficiency, savings and improvements to service.

Clarity Brings Efficiency and Savings

When Russ Munro joined the Water Treatment Plant as a Maintenance Engineer in 2008, he was interested in clarifying more than water.

October 9, 2015 · 3:44pm

The **Latest Strides** outlines successes and progress towards our goals.

The Public Works Customer Service Centre has integrated the Waste Stream Management phone line to improve 24/7 inquiry services for citizens

Initiatives supporting the City's performance measures are highlighted in detail in the business line overviews and are linked to the corporate target that has the most direct impact, although initiatives may influence several performance measures. As an example, the dials below highlight the City's progress on each of the performance targets highlighted. Initiatives are identified for 2016 that will help ensure the City is progressing in the right direction.

Culture of Continuous Improvement
Overall Satisfaction with Civic Services of 90 per cent or more

Quality of Life
Increase visits to City Recreation and Culture Facilities to 6,600 visits/1,000 residents

Moving Around
Increase Transit Ridership to 62 Rides per Capita

OUR PERFORMANCE MEASURES

The City's 25 Corporate Performance Measures include 19 targets that it is working to achieve and six indicators that it is watching to evaluate progress towards achieving corporate goals.

Culture of Continuous Improvement

- Satisfaction with Civic Services of 90 per cent or more
- City of Saskatoon's Workforce Represents the Diversity of Saskatoon's Population
- Zero Lost Time Injuries

Asset and Financial Sustainability

- Municipal Property Tax per Capita (Indicator)
- Municipal Property Tax as a Percentage of Total Municipal Revenues (Indicator)
- Annual Municipal Property Tax increase equal or less than the Municipal Price Index (MPI)
- Maximum Long-Term Tax-Supported Debt per Capita is Less than $1,750 per Person
- Maintain Key Civic Infrastructure at an Annual "B" Service Level

Quality of Life

- Perceived Quality of Life (Indicator)
- 500 New Units Annually across the Attainable Housing Continuum
- Maintain an Average Rental Housing Vacancy Rate of 3 per cent
- Increase Visits to City of Saskatoon Recreation and Culture Facilities to 6,600 visits per 1,000 Residents
- Decrease Overall Crime Rates by five per cent Annually over the Previous 5-year Average
- Respond to Fire Calls Within Six Minutes and 20 Seconds at Least 90 per cent of the Time

Environmental Leadership

- Divert 70 per cent of Waste from the Saskatoon Landfill
- Reduce the City of Saskatoon's Greenhouse Gas Emissions by 30 per cent from 2006 Levels

Sustainable Growth

- Population Growth (Indicator)
- At least 25 per cent Five-year Rolling Average of Residential Development is in Infill Neighbourhoods

Moving Around

- Increase Transit Ridership to 62 Rides per Capita
- 20 per cent of People use Cycling, Walking or Transit to get to Work
- Increase the Amount of Cycling-Specific Infrastructure by 10 per cent
- Decrease Traffic Collisions by five per cent Annually

Economic Diversity and Prosperity

- Building Activity (Indicator)
- Business Growth (Indicator)
- A One-Year Inventory of Land for Single-Family Units, a Two-Year Inventory of Land for Multi-Family Units and a Two-Year Inventory for Industrial Land

Efficient and Effective Civic Government

The City is committed to high standards of performance and to providing the services that matter most to citizens. The Continuous Improvement (CI) Strategy supports the long-term strategy to focus on the use of innovative and creative means to identify and implement workplace efficiencies and provide the best possible services to citizens.

The CI Strategy is a formalized approach to identifying opportunities to improve the overall efficiency and effectiveness of the organization and includes three key components: Annual Civic Service Reviews (CSR), Internal Process Reviews (IPR) and Capacity Building.

The CSRs and IPRs identify opportunities to control expenditures and to seek efficiencies in the delivery of municipal programs and services, examining all aspects of the service under review to ensure that every dollar is wisely spent. Options and recommendations are identified that address two service delivery questions:

1. Effectiveness: Would changes to the service help to achieve greater results within currently available resources?
2. Efficiency: Would changes to the current method of delivering the service improve the cost effectiveness?

The reviews involve the identification of current processes to create a common understanding of how the service is currently being delivered. The teams also define how the service will be delivered in the most effective and efficient way possible to meet citizen expectations, and then identify the change in resources required to deliver the new service in comparison to the current service and identify the savings.

Teams involved in the CSRs include representation from several civic divisions which provides an opportunity for collaboration and sharing of ideas for best practice solutions.

Increased communication and collaboration across divisions is proactively eliminating issues and improving service to citizens. Improved planning on the front end of civic projects ensures that all internal and external stakeholders are following the same standards and collaborating to deliver citizen-friendly programs and services.

Employee and citizen involvement and engagement are critical to the success of the CI Strategy. Innovation coaches from each department foster innovation and creativity within all levels of the organization through the use of a five-step structured innovation process; this builds capacity within each department to assist in driving change.

The City of Saskatoon's focus on continuous improvement means continuously exploring and implementing new ways to improve service, increase savings and grow our city in a sustainable way.

CI initiatives are outlined annually in each Business Line Overview within the *2016 Corporate Business Plan and Budget*. As the name suggests, continuous improvement is an ongoing effort to improve services, programs or processes. The initiatives will result in incremental improvements that will be realized over time as well as breakthrough improvements with immediate identification of savings and/or service level enhancements; associated savings that are incorporated into the budget help to reduce the mill rate.

Risk-Based Management Framework

Risk is necessary for growth and improvement, and providing services to citizens does involve risks; therefore, it is important to ensure risk is managed. The City is implementing a Risk-Based Management System (RBM) that will assist the Administration to enhance intelligent risk performance in all areas of the operations, ensuring continuous improvement in the way the City is managed, as well as continued growth in public confidence in the City's performance.

RBM will enhance business, budget and strategic planning by providing a continuous, proactive and systematic process to ensure risk is understood, managed and communicated throughout the organization. The framework will assist departments in developing processes that help identify and document risks before they occur, allowing for a planned approach to reducing the likelihood and impact of an adverse event, and also increasing the possibility and magnitude of benefits that could result from seizing an opportunity.

A consistent approach for identifying, evaluating, mitigating and reporting on risk promotes better alignment of risk, value and resources. When effectively integrated into the strategic and decision making processes, the risk management process will help to:

- Achieve Strategic Goals and operational objectives;
- Improve financial and operational management by effectively allocating resources to high-risk areas;
- Strengthen the planning and priority-setting process;
- Increase management accountability by demonstrating due diligence; and
- Foster innovation and continuous improvement.

Saskatoon, like all municipal governments, faces many types of risk, including strategic, operational, financial and compliance risks that, if not effectively managed, can impede the successful delivery of services and achievement of goals and objectives. Strategic risks are affected or created by an organization's business strategy and strategic goals; operational risks affect an organization's ability to execute its strategic plan; financial risks arise from financing activities and financial transactions; and compliance risks relate to legal and regulatory compliance.

In order to effectively manage risks, the risks themselves must be identified. In 2015, a Strategic Risk Assessment was conducted with valuable input provided by City Councillors and several staff from around the organization. Each identified risk was assessed as to likelihood and impact and ranked as high, medium or low.

The strategic risks could be categorized into the following themes:

Infrastructure and Operations: inadequate investment in infrastructure renewal and maintenance; infrastructure investment not aligned with growth; infrastructure fails due to inadequate maintenance; wrong capital investment decisions are made

Financial: fail to identify and pursue alternative revenue sources; funding decisions don't align with citizen/City Council priorities or Strategic Goals; decisions must be made with incomplete information

Environmental: unprepared to mitigate/adapt/respond to climate risk

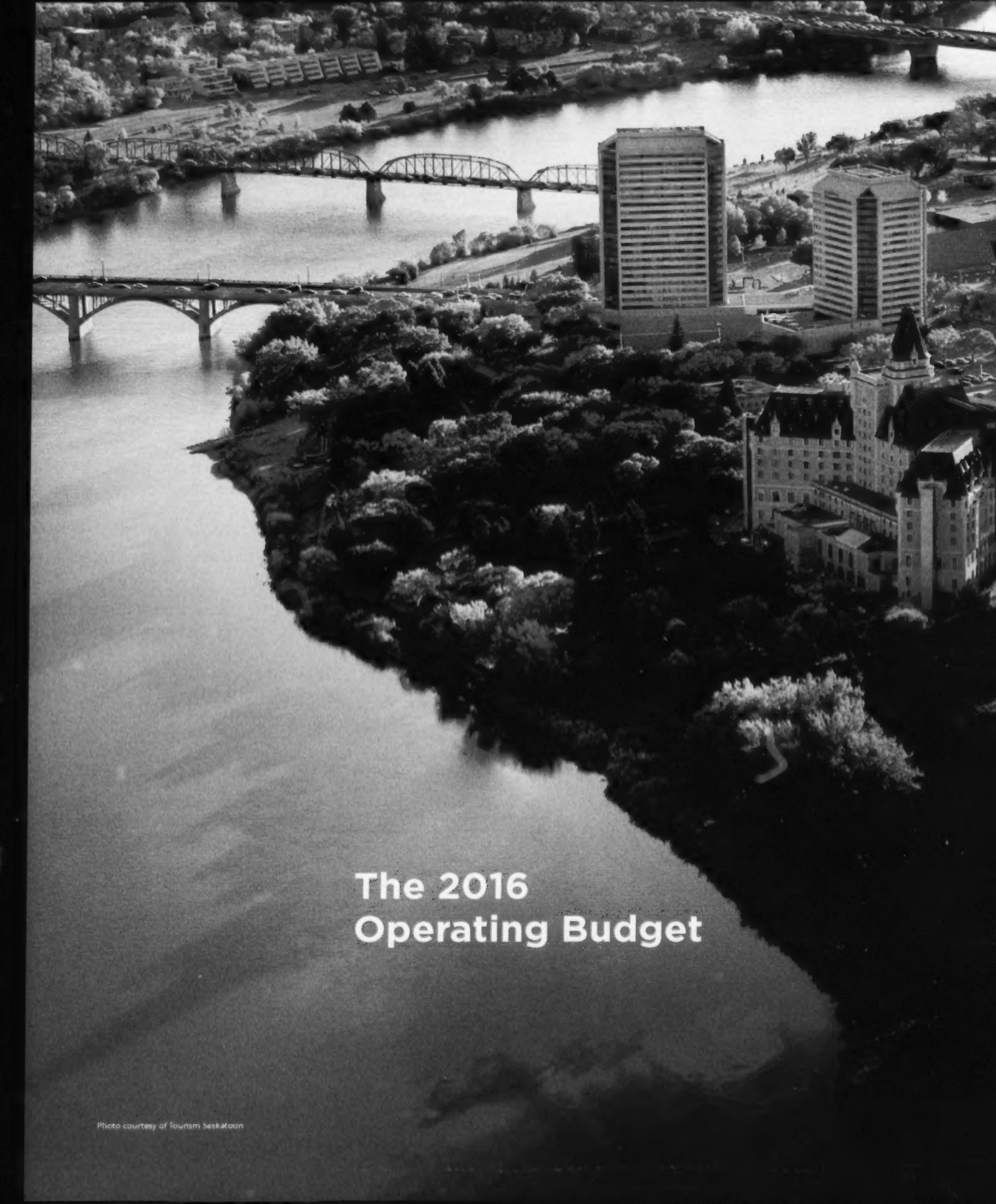
Stakeholders: fail to meet expectations of citizens/ stakeholders; disengaged and uninformed citizens

Information Technology: outdated or unsupported software and/or hardware failure; IT strategy does not support achievement of strategic/business plans

Business Continuity: unprepared for business interruption/emergency

People: unprepared for vacancies; existing talent does not match current or future business needs

The business line overviews highlight key challenges and risks that may impact successful completion of major initiatives. The challenges have been organized according to the categories outlined above and initiatives to help mitigate the challenge are identified within the major initiatives, continuous improvement or performance measures section of the business line overview.



The 2016 Operating Budget

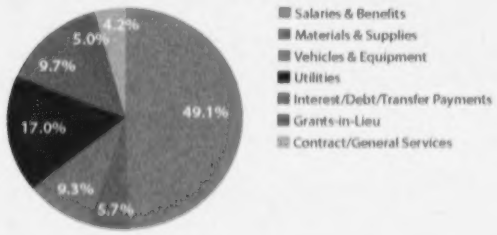
Photo courtesy of Tourism Saskatoon

In preparation of the 2016 Operating Budget, many inputs were considered by the Administration when allocating the resources to specific programs, services and projects. These inputs include the strategic plan, inflation, growth, service level changes and, most importantly, public input.

City Departments were given direction regarding allowable increases related to inflation, service levels and growth, and all revenues were reviewed and analyzed.

The City has developed a Municipal Price Index (MPI) to measure the effect of inflation on the City's operations, using the City's "basket of goods" such as fuel, asphalt, electricity, facility/equipment repairs and maintenance costs. The following pie chart illustrates the City's MPI inputs—or basket of goods.

City of Saskatoon's Operating Revenues by Major Source



The MPI is a better estimate for the City than the Consumer Price Index (CPI) because the CPI is a measure of inflation for average households and measures items such as food, household expenses and education. Other cities in Canada have also begun calculating this MPI to help understand the rising cost of municipal purchases and also to assist in the forecasting of future expenditures.

The City's MPI—or inflationary increase—for 2016 is estimated at 2.92 per cent. Like growth and service level increases, inflationary increases are an important cost driver for the City's operating budget. The City is estimating that inflation will increase the City's operating expenditures in 2016 by $10.6 million.

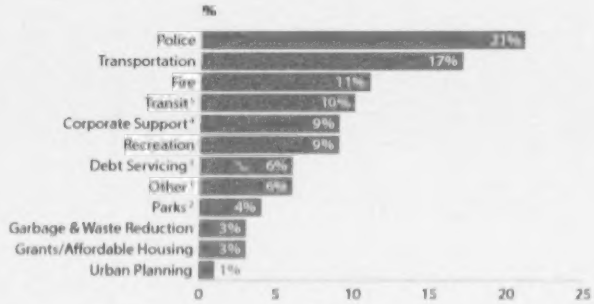
Expenditures

The City of Saskatoon's 2016 Operating Budget includes tax-supported expenditures of approximately $445.1 million. Schedule II at the back of the 2016 Approved Operating and Capital Budget document provides more details on the breakdown of these expenditures.

For the 2016 Operating Budget, tax-supported expenditures are increasing 5.6 per cent over 2015. It is important to note that the increase in expenditures includes $5.1 million (a little more than 1.2 per cent of the total increase) that is dedicated to the service level increases for Building Better Roads, Snow and Ice Management and Traffic Noise Attenuation.

The following chart shows the distribution of the tax-supported expenditures by service. Policing represents the largest portion of the City's tax-supported operating expenditures at 21 per cent, or $94.2 million.

Tax-Supported Expenditures by Service

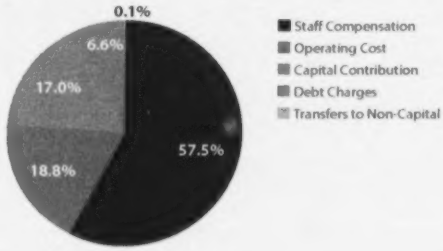


[1] Other includes street lighting, animal services, cemeteries and facilities, court costs for traffic violations and property annexation costs.
[2] Includes urban forestry and pest management.
[3] Debt Servicing includes provisions for current and future debt servicing.
[4] Corporate Support includes the offices of the City Manager, City Clerk, City Solicitor, Finance, Revenue, Assessment & Taxation, Information Technology, Human Resources and General Administration.
[5] Includes Access Transit.

The following chart shows the percentage share of major expense categories within the 2016 tax-supported Operating Budget.

- The majority of expenditures of the tax-supported operating budget, $256 million, are for staff salaries and payroll costs.
- Capital reserves to fund capital projects account for $75.9 million of the tax-supported operating budget.
- Debt servicing costs (principal and interest) are $29.2 million of the tax-supported operating budget.

Tax-Supported Expenditures by Category



Several additional important items are included in the 2016 Operating Budget, many of which are strategic phase-ins related to financing plans for future requirements.

Included in the operating budget are the following expenditures totalling over $8.6 million:

- $3,686,800 – Year 3 of 4 for the Building Better Roads Program
- $1,600,000 – incremental Phase-in for Civic Facilities Funding Plan
- $1,365,000 – incremental Phase-in for Remai Modern Art Gallery
- $1,039,900 – Dedicated to Snow and Ice Management
- $378,100 – Year 3 of 4 for the Dedicated Traffic Noise Attenuation
- $200,000 – Incremental Phase-in for Future Fire Hall Growth Plan
- $174,400 – Increase as a result of capital projects approved prior to 2016
- $168,300 – 0.1 per cent of annual property tax revenue allocated to Active Transportation Reserve (2016 is final year of increments to reach $500,000 base funding).

Staffing

The table at right shows the total operating staffing requirements for the City in 2016 and the change over 2015. The 2016 Operating Budget (including all tax-supported and non-tax-supported services) includes an additional 10.3 FTEs over 2015 (a 0.32 per cent increase). This FTE increase is distributed as follows:

- 2.4 new FTEs are related to the anticipated early 2017 opening of the Remai Modern Art Gallery of Saskatchewan (see *** note below)
- 4.7 new FTEs are for the Saskatoon Police Service for additional Police presence
- 3.2 new FTEs for various positions.

Summary of Operating Staff Years in Full-Time Equivalents (FTEs)

Full-Time Equivalents (FTEs)	Budget 2015	Budget 2016	FTE Change
Tax-Supported Services Civic Operations			
Civic Operations			
Community Support	30.6	30.6	–
Corporate Asset Management *	229.7 *	229.7	–
Corporate Governance & Finance	400.7	400.7	–
Environmental Health	106.3	107.3	1.0
Fire	334.0	334.0	–
Recreation & Culture *	291.9 *	293.2	1.3
Transportation	603.3	603.1	(0.2)
Urban Planning & Development	42.7	42.6	(0.1)
Civic Operations	**2,039.2**	**2,041.2**	**2.0**
Boards			
Police	640.1	644.8	4.7 **
Mendel Art Gallery-Remai Modern Art Gallery	28.7	31.1	2.4 ***
SaskTel Centre	47.7	47.7	–
TCU Place	65.6	65.4	(0.2)
Boards	**782.1**	**789.0**	**6.9**
Total Tax-Supported Services	2,821.3	2,830.2	8.9
Non Tax-Supported Services			
Building and Plumbing Permits & Standards	57.0	57.0	–
Business Licences	9.3	9.1	(0.2)
Golf Courses	24.8	24.8	–
Impound Lot	0.8	0.8	–
PotashCorp Playland	3.8	4.3	0.5
Gordon Howe Campsite	2.6	2.7	0.1
Utilities	337.4	338.4	1.0
Total Non Tax-Supported Services	435.7	437.1	1.4
Total Full-Time Equivalents	3,257.0	3,267.3	10.3

* The 2015 FTEs for Corporate Asset Management increased by 4.0 FTEs and Recreation and Culture decreased by 4.0 FTEs compared to the 2015 Approved Budget. The 4.0 FTEs were erroneously included in the Recreation and Culture business line and should have been included under the Corporate Asset Management business line.

** The 4.7 FTEs increase includes an addition of 5.7 FTEs which is prorated for the 2016 budget year with an FTE increase impact to the 2017 budget of 2.3 FTEs. Four Constables will be hired in January and four in August.

*** The addition of 2.4 FTEs is prorated for the 2016 budget year with an FTE increase impact to the 2017 budget of 5.2 FTEs. The 2.4 equivalent FTEs will be hired throughout 2016 to accommodate the Remai Modern Art Gallery's expected opening date of March 2017.

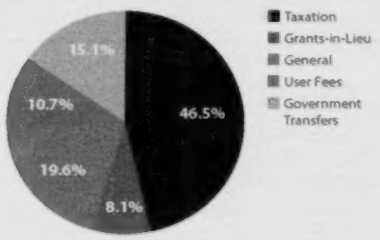
Revenues

As indicated in the Executive Summary, the limited revenues available to the City of Saskatoon continue to be a challenge. As non-tax revenues have not been keeping pace with rising costs, such as inflation, growth and service level changes, there continues to be added pressure on property taxes to help fund the City's operating budget.

The City continues to research and examine additional revenue sources and has a formalized revenue review process that includes the documentation and review of all revenue streams for the City. The annual process identifies the basis, calculation, method and comparison of revenues to other jurisdictions as applicable.

The following chart identifies the percentage of revenue sources that pay for all tax-supported programs and services in the City's 2016 tax-supported operating budget. While the City of Saskatoon tries to minimize property tax increases, the reality is that it derives its revenues from very few sources. Less than half of the City of Saskatoon's 2016 tax-supported operating revenues come from taxation.

Share of 2016 Tax-Supported Revenue Sources



Taxation

As required by provincial legislation, the City of Saskatoon must balance its operating revenues with its operating expenditures. The City has a limited number of revenue sources, and any revenue shortfalls must be balanced through a property tax increase.

The 2016 Operating Budget has a revenue gap of $7.48 million, which means the City must increase the revenue generated from property taxes by 3.96 per cent.

The following table illustrates the details of the 2016 increased revenue from property taxes for Policing, Fire and the remaining Civic Services (including the 0.55 per cent increase for Snow and Ice Management).

Distribution of Increases from Property Taxes

($000's)	Expenditures	Revenues	Budget Increase	% Increase
City Operations Before Capital & Dedicated	6,051.5	(13,470.4)	(7,418.9)	-3.92%
Fire Services Increase	1,693.1	(381.7)	1,311.4	0.69%
Capital Contributions	7,375.3	(750)	6,625.3	3.51%
Total City Operations Before Dedicated	**15,119.9**	**(14,602.1)**	**517.8**	**0.28%**
Dedicated to Roadways	3,686.8	–	3,686.8	1.95%
Dedicated to Traffic Noise Attenuation	378.1	–	378.1	0.20%
Total City Operations (Excluding Policing)	**19,184.8**	**(14,602.1)**	**4,582.7**	**2.43%**
Policing Increase	4,565.9	(1,666.2)	2,899.7	1.53%
Total Municipal Increase	23,750.7	(16,268.3)	7,482.4	3.96%

General Revenues

For 2016 general revenues from tax-supported services make up 19.6 per cent of City of Saskatoon's total tax-supported operating revenue. General revenues include the following:

- Investment income
- Franchise fees
- Fines and penalties
- Licences and permits
- Revenues from utilities.

General revenues from utilities include a return on the City's investment in the Saskatoon Light & Power utility and from the Water and Wastewater utilities. Each of the utilities is also charged an administrative fee to cover the costs of providing certain corporate support services (e.g. legal, payroll, purchasing, accounts payable, etc.).

The City also receives franchise fees from SaskPower (10 per cent surcharge and five per cent of electricity sales) and SaskEnergy/TransGas (five per cent of the cost of supply and delivery).

The City of Saskatoon owns and operates five utilities which are self-funded programs that form an important source of revenue for the City. General revenues from these utilities

include a return on the City's investment from the Saskatoon Light & Power utility and, for the first time in 2016, from the Water and Wastewater utilities. Each of the utilities is also charged an administrative fee to cover the costs of providing certain corporate support services (e.g. legal, payroll, purchasing, accounts payable, etc.), and three of the utilities pay a Grant-in-Lieu of property taxes.

The table below summarizes the utility contributions to City revenues for the 2014 to 2016 budget years. The increased revenue included in the 2016 Operating Budget is approximately $6.0 million.

Contributions From City-Owned Utilities

($000's)	2014 Budget	2015 Budget	2016 Budget	2016 Change
Recycling	–	**52.0**	**53.5**	**1.5**
Admin. Fee	–	52.0	53.5	1.5
SL&P	**44,047.3**	**44,249.5**	**44,527.3**	**277.8**
Admin. Fee	363.9	420.2	431.1	10.9
Grants-in-Lieu	20,273.7	20,769.6	21,036.5	266.9
Return on Investment	23,409.7	23,059.7	23,059.7	–
Storm	**49.2**	**50.3**	**51.8**	**1.5**
Admin. Fee	49.2	50.3	51.8	1.5
Wastewater	**4,972.9**	**6,838.4**	**9,491.7**	**2,653.3**
Admin. Fee	1,602.1	3,196.9	4,369.7	1,172.8
Grants-in-Lieu	3,370.8	3,641.5	3,862.0	220.5
Return on Investment	–	–	1,260.0	1,260.0
Water	**5,952.3**	**7,903.1**	**10,954.6**	**3,051.5**
Admin. Fee	1,447.6	3,065.4	3,923.9	858.5
Grants-in-Lieu	4,504.7	4,837.7	5,290.7	453.0
Return on Investment	–	–	1,740.0	1,740.0
Grand Total	55,021.7	59,093.3	65,078.9	5,985.6

User Fees

User fee revenue from tax-supported services comprises 10.7 per cent of the 2016 total tax-supported Operating Budget. Various services provided by the City of Saskatoon are funded in whole or in part through fees paid directly by the user. Some services are expected to be self-sufficient, while others are only expected to recover a portion of their total costs from users. In other words, for those services that directly benefit a particular user, then, in most cases, user fees are charged. However, for those services that have social or community benefits, and where the cost to the user would be prohibitive, then the City will subsidize a portion of the cost of the service.

Included in the User Fees category are fees and charges for various services including:

- Leisure facility admissions, registration and rental fees
- Public and/or specialized transit fares and charters
- Traffic violations
- Landfill tipping and recycling program fees
- Cemetery grave, interment and monument sales
- Zoning, sub-development and discretionary use fees
- Zoo admissions

Government Transfers

In order to provide necessary and essential public services and programs to its residents, the City of Saskatoon receives funding from other orders of government. For 2016, 15.1 per cent of the City's total tax-supported operating revenues come from other governments.

The most significant transfer is from the Government of Saskatchewan which is the Municipal Revenue Sharing grant. The objective of this grant program is to provide long-term predictable funding to municipalities to help them address the operational challenges they face as a result of growing populations and increased demands for services. The program grant is tied to the Provincial Sales Tax (PST) that grows with the economy. The PST is predictable, sustainable and reflective of economic growth. The grant represents the equivalent of one point of the PST revenue pool. Cities receive approximately 48 per cent of the total revenue sharing pool.

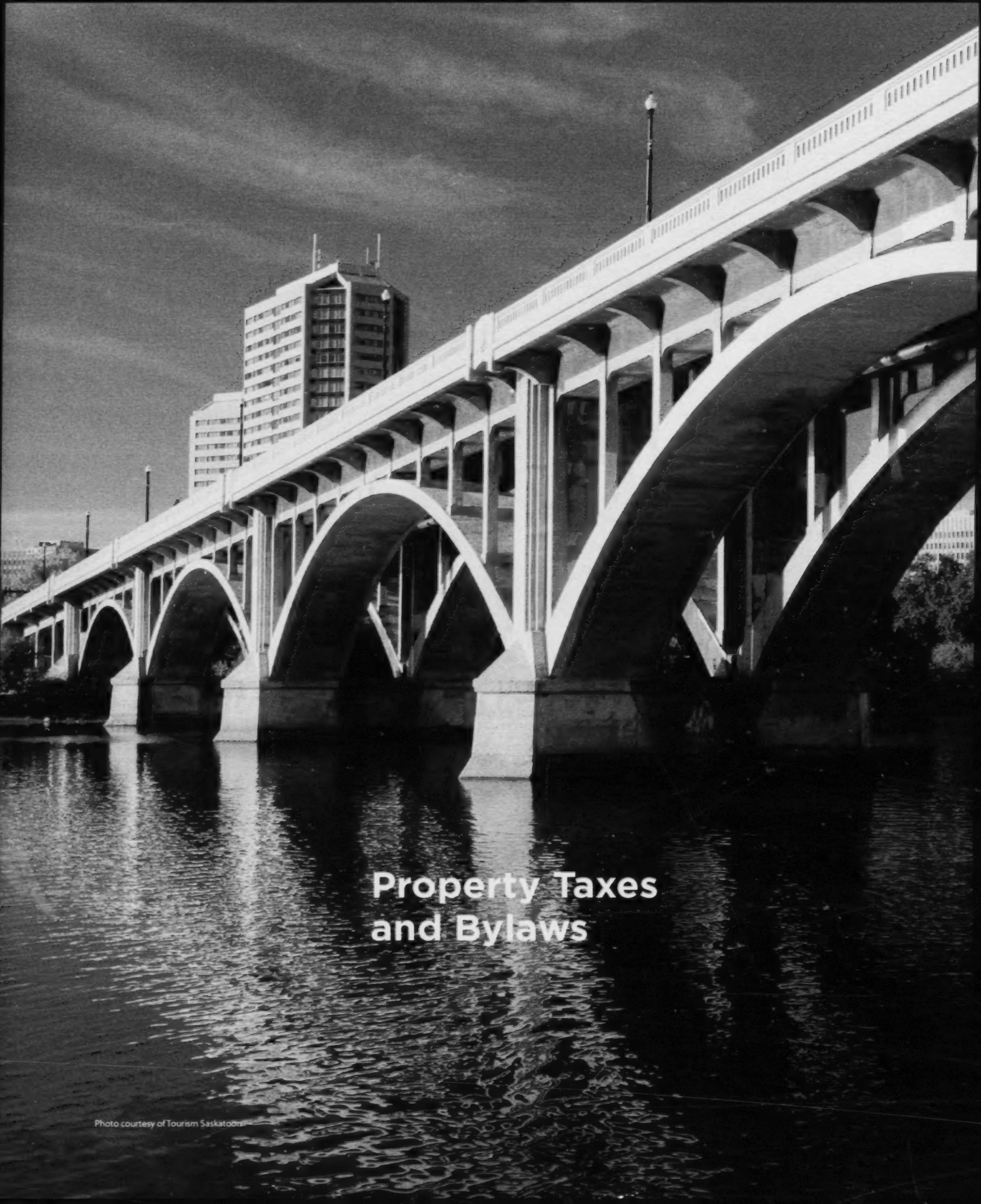
For 2016, the Government of Saskatchewan will be providing the City of Saskatoon with $48.5 million in revenue sharing funding. This is an increase of $1.1 million over the 2015 funding.

Grants-in-Lieu of Taxes

This revenue source comprises 8.1 per cent of the City of Saskatoon's projected tax-supported revenues for 2016.

Grants-in-Lieu of taxes are typically grant payments to municipaiities from the federal and provincial orders of government. Although these orders of government are exempt from paying local property taxes, they do make grant payments in place of property taxes for government owned/managed properties.

In the City of Saskatoon, a Grant-in-Lieu is also paid by Saskatoon Land and by the City's Utilities as shown in the table above.



Property Taxes and Bylaws

Photo courtesy of Tourism Saskatoon

Impact and Distribution of Property Taxes

As previously mentioned, the budgetary increase of 3.96 per cent generates the required $7.48 million to balance the budget. After the 2016 assessment growth is applied to the tax rates, homeowners with an average assessed residential property of $325,000 will see their municipal property taxes increase by approximately 3.8 per cent as categorized at right.

Impact of Property Tax Increase

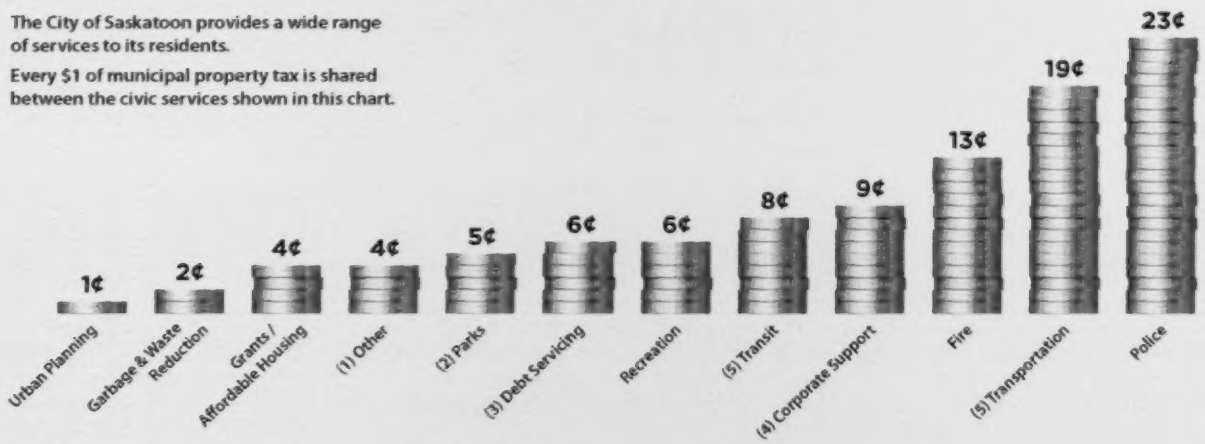
Municipal Tax Increase per Average Household $325,000 Assessment	Municipal Operating 1.65%	Dedicated Road 1.95%	Traffic Noise Attenuation 0.20%	Total 3.80%
Approximate Total Increase	$27.06	$31.98	$3.28	$62.31
Approximate $ Per Month	$2.25	$2.66	$0.27	$5.19

The following chart shows how the increased revenues from property taxes are distributed.

How Your Municipal Property Taxes Are Distributed

The City of Saskatoon provides a wide range of services to its residents.

Every $1 of municipal property tax is shared between the civic services shown in this chart.



(1) Other includes street lighting, animal services, cemeteries and facilities
(2) Includes urban forestry and pest management
(3) Debt servicing includes provisions for current and future debt servicing
(4) Corporate Support includes the offices of the City Manager, City Clerks, City Solicitors, Finance, Revenue, Assessment & Taxation, Information Technology, Human Resources and General Administration
(5) Includes Access Transit

Calculation of Property Taxes

In Saskatoon, property taxes are determined by applying the following formula to each taxable property in the city:

$$\frac{\text{Taxable assessment}}{\$1{,}000} \times \text{Mill Rate} \times \text{Mill Rate Factor} = \text{City of Saskatoon Property Tax}$$

The taxable assessment for an individual property is determined in accordance with provincial legislation. In Saskatchewan, property assessments are updated every four years. Saskatoon's last property reassessment was completed in 2013 which is based on a property's market value as of January 1, 2011. The next revaluation is expected to take place in 2017 using values as at January 2015. The City of Saskatoon continues to lobby the Provincial government to reduce this cycle.

The City uses mass appraisal valuation approaches when conducting residential assessments. With this approach, property values are a reflection of their market value, the most probable sale price of a property, on a given date. Statistical models (mathematical formulas created through an analysis of sales and property characteristics) are the most economical way to determine property values. Differences in values are based on property characteristics. Using these models ensures equity as similar properties will have a similar assessment value. For residential assessments, some of the factors used to determine value include the location

(neighbourhood) of the property, traffic patterns around the property, views and the property structure. Adjustments are made for factors including size, age, style, garage, etc. Factors that do not directly influence an assessment include the plumbing details, whether or not the property has a deck, landscaping, a back lane, or if the property is affected by broad based influences such as aircraft noise.

Non-residential assessments are calculated by using any of the three currently accepted approaches to value in conjunction with mass-appraisal processes. The most commonly used approach in the City of Saskatoon is the property income (rental) approach.

The other variables in the formula *Taxable Assessment x Mill Rate x Mill Rate Factor* are Mill Rate and Mill Rate Factors.

A uniform mill rate is set after the budget has been approved to allocate the property tax levy to each taxing authority by dividing the tax required by the total taxable assessment in Saskatoon, per $1,000 of taxable assessment.

Mill rate factors are used to determine the proportion of tax revenue that each property class will pay. There are three main property classes: residential/condominium, multi-residential and commercial/industrial.

Uniform Mill Rate

The Municipal and Library taxing authorities establish their uniform mill rates to reflect the requirement to finance operations while the two School Divisions have their mill rates set by the Province as announced in the annual Provincial Budget.

The 2016 Uniform Mill Rates reflect the approved budgetary requirements of the City of Saskatoon and the Saskatoon Public Library over the past five years:

Uniform Mill Rates

Taxing Authority	2012	2013*	2014	2015	2016**
City	12.0491	6.7894	7.2566	7.6300	7.9203
Library	1.3333	0.7248	0.7353	0.7657	0.8032
Total	**13.3824**	**7.5142**	**7.9919**	**8.3957**	**8.7235**

* 2013 was a reassessment year for all properties in Saskatchewan. In 2013 property values were updated to reflect fair market values as at January 1, 2011. Due to this update in property values, the tax levy is not comparable to previous years' levies.

** Proposed

NOTE: The 2016 Mill Rates below are the proposed rates. The 2016 Property Tax Bylaws will be approved by City Council after the publish date of this document.

Mill Rate Factors

Mill Rate Factors serve to redistribute uniform mill rate revenues between property classes. As such, the establishment of mill rate factors on an annual basis is not dependent upon establishing the uniform mill rate (which raises revenue for each taxing authority), but is based on various tax policies set by City Council. Two items impact the 2016 factors. First, in 2001 City Council adopted a Tax Ratio Policy such that non-residential properties would pay property tax at a rate of 1.75 times that of residential properties by 2010. Second, the 2016 tax roll experienced growth, but not evenly through the property classes. The Mill Rate Factors shown in the table below have been adjusted to ensure the 1.75 tax ratio is retained.

NOTE: The 2016 Mill Rate Factors below are the proposed rates. The 2016 Property Tax Bylaws will be approved by City Council after the publish date of this document.

Mill Rate Factors

Property Class	2012	2013	2014	2015	2016*
City	12.0491	6.7894	7.2566	7.6300	7.9203
Residential	0.9411	0.9411	0.9448	0.9447	0.9443
Condominiums	0.9411	0.9411	0.9448	0.9447	0.9443
Multi-Unit Residential	0.9411	0.9411	0.9448	0.9447	0.9443
Commercial	1.1811	1.1765	1.1684	1.1676	1.1661
Private Light Aircraft Hangar	0.6586	0.6588	0.6613	0.6613	0.6610

* Proposed

Average Residential Taxes

As noted on the previous page, property taxes are calculated by dividing the taxable assessment by 1,000 and then multiplying the result by the mill rates and mill rate factors. Taxable Assessment for residential properties in Saskatchewan in accordance with provincial legislation is 70 per cent of the Assessed Value.

The average residential property in Saskatoon is assessed at $325,000, which means the Taxable Assessment divided by 1,000 equals $227.5 as noted in the following calculation:

$325,000/1,000 x 70% = $227.5

Based on the proposed mill rates and mill rate factor, homeowners with an average assessed value of $325,000 will pay $1,874.05 in 2016 for the City and Library taxes calculated as follows:

Taxing Authority	% Taxable		Mill Rate		Mill Rate Factor		Taxes
City	227.5	x	7.9203	x	0.9443	=	$ 1,701.50
Library	227.5	x	0.8032	x	0.9443	=	$ 172.55
							$ 1,874.05

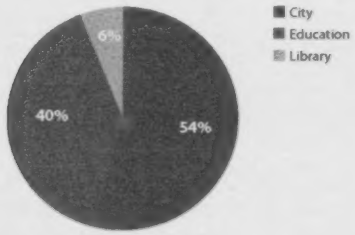
Total property tax and assessment information for individual properties can be found by clicking on ***'Look up my property assessment'*** on the City of Saskatoon's website: saskatoon.ca.

Education Property Taxes

Provincial legislation requires the City of Saskatoon to levy and collect property taxes on behalf of the two School Divisions within the City of Saskatoon. Education Property Taxes are set by the Province in the spring of each year. All monies levied for Education Property Taxes are paid directly to the respective School Divisions. The average residence in 2016 will pay $1,144.33 for Education Taxes.

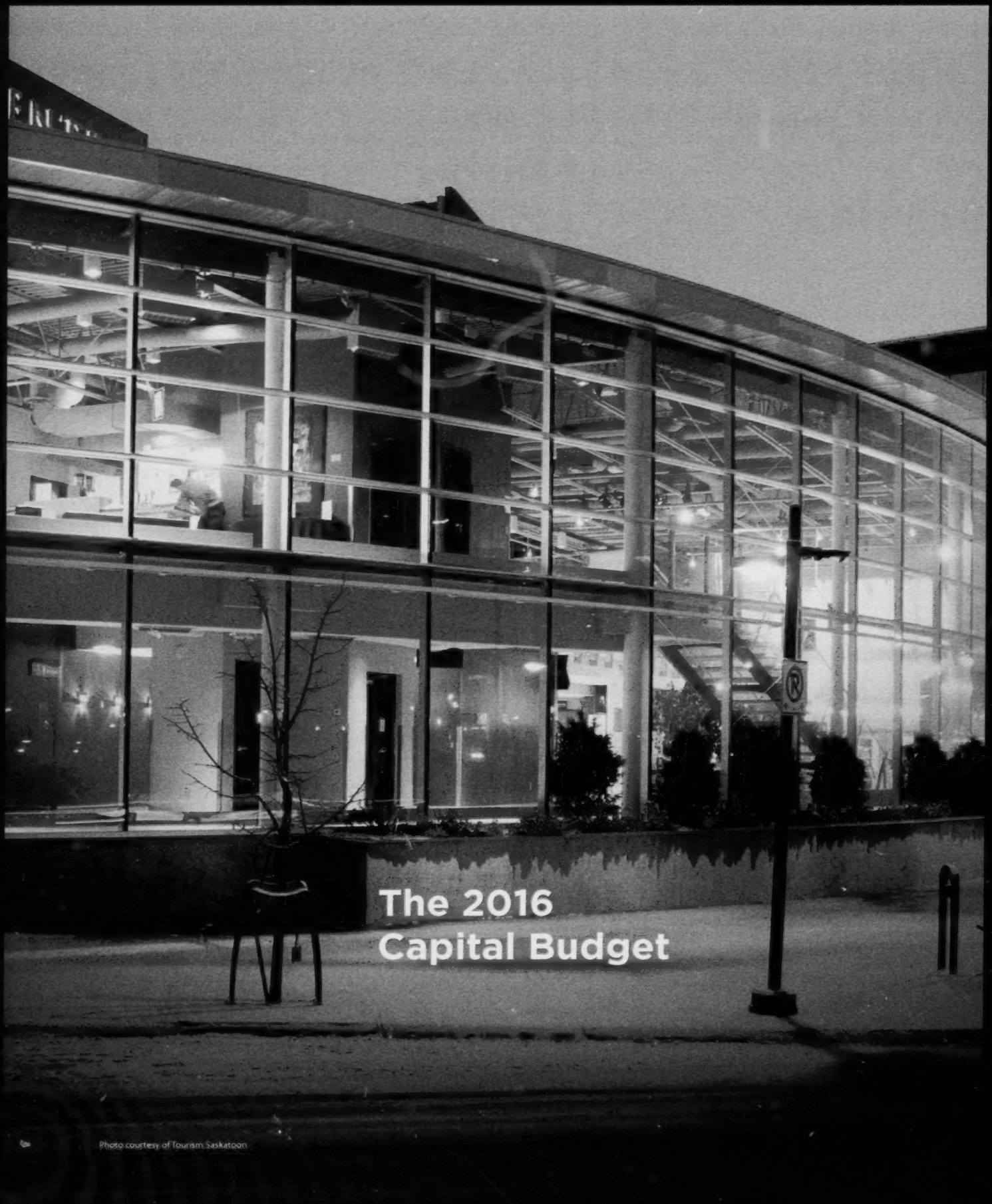
The following chart shows how total property tax dollars are distributed for 2016. As depicted in this chart, 40 per cent of the property taxes collected by the City of Saskatoon will be paid to the two school boards.

Distribution of the Property Tax, 2016



Property Tax Bylaws

Annually, in accordance with *The Cities Act* and *The Education Act, 1995*, the City Council passes property tax bylaws which authorize the City to levy and collect property taxes on behalf of the City, the Saskatoon Public Library and the Public and Separate School Divisions. These bylaws are usually passed by mid-May and can be viewed at saskatoon.ca by searching for the 'Saskatoon Property Tax Bylaw' or 'The School Division Property Tax Bylaw'.



The 2016 Capital Budget

Photo courtesy of Tourism Saskatoon

The 2016 Capital Budget

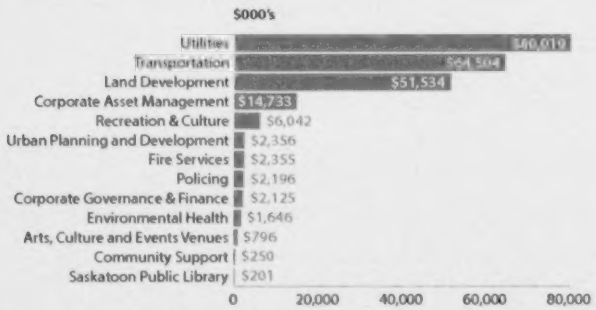
The City of Saskatoon's Capital Budget directs funding for the construction or refurbishment of major capital infrastructure projects such as roads, bridges, buildings, and water and sewer lines. The 2016 Capital Budget not only addresses the City's growth, but also its basic infrastructure needs with continued emphasis on roads and bridges.

The City of Saskatoon is continuing to develop funding plans for major infrastructure assets not only resulting from growth, but also for maintenance and replacement due to aging of the asset. One of the key funding strategies is to dedicate property tax increases solely for the maintenance of roads as the required funding base is built to meet the long term needs and to achieve the service levels desired by the citizens of Saskatoon.

The City of Saskatoon's 2016 Capital Budget (including Land Development) provides a total capital investment of $228.8 million. Together, the various projects that make up this total investment aim to meet the objectives of the strategic plan and specifically:

- Prepare for growth
- Improve mobility
- Enhance public safety
- Increase quality of life
- Protect the environment.

Capital Investment by Business Line



Utility-related projects make up 35 per cent of the total capital investment in 2016, including:

- Over $36 million in upgrades and maintenance at the Water and Wastewater Plants for Advanced Metering
- An additional $25 million investment for the Water and Wastewater distribution systems
- Saskatoon Light and Power is investing over $17 million in upgrades to substations and street lights as well as Advanced Metering.

Transportation projects represent over 28 per cent of the total capital investments in the 2016 Capital Budget. Some of the notable investments include:

- Traffic Noise Attenuation project for the priority areas that were approved in 2008
- Idylwyld Drive and Ruth Street overpass
- Various road preservation projects.

Land Development projects total $51.5 million and make up over 22 per cent of the capital budget. In 2016, a total of 27 acres of multi-family land will be serviced as well as 54 acres of land in the Marquis industrial Area and 110 single family lots in Kensington. Also included in the Land Development budget is the development of new parks in Montgomery, Parkridge, Stonebridge, Rosewood, Evergreen and Kensington at an estimated cost of $13.6 million. These new growth areas and various in-fill developments play a vital role in providing the serviced land that will accommodate new house and commercial investment in our city.

The remaining 14 per cent of the Capital Budget is allocated among various smaller projects.

Staffing

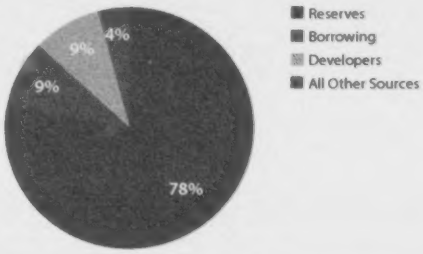
In 2016, a total of 2.1 new FTEs are being charged to the Capital Budget:

- A new position (1 FTE) has been added for a P3 Contract Administrator to develop P3 Contract Manuals for the operation and maintenance component of P3 projects.
- The remaining 1.1 FTEs account for various positions previously funded in the operating budget.

Paying for the 2016 Capital Budget

As illustrated below, the largest source of funding for the 2016 Capital Budget is reserves. Approximately $178 million (78 per cent) of the entire Capital Budget is funded through reserves that the City has set aside for capital replacement, enhancement and new capital work. The remaining $50 million (22 per cent) of the Capital Budget is split among various sources.

2016 Capital Budget Funding Sources



The following table summarizes the funding dollars for the 2016 Capital Budget.

2016 Capital Budget Funding Summary

General Capital: ($000's)	2016 Budget
Reserves	79,347
Borrowing	13,909
Province of Saskatchewan	936
Private, External Funding	561
Operating Contributions	–
Other	2,250
Saskatoon Public Library Reserve	201
Total General Capital	**97,204**
Utility Capital: ($000's)	
Reserves	68,565
Borrowing	6,840
Private and External Contributions	1,150
Operating Contributions	3,464
Total Utility Capital	**80,019**
Total General & Utility Capital	**177,223**
Land Development: ($000's)	
Reserves/Developers	51,534
Total Capital Funding	228,757

General Capital refers to those capital projects that are non-utilities, such as transportation capital projects for example. The following pages provide more details on each of these funding sources.

Reserves

Reserves accumulate funds from various sources and are used to fund many capital projects. Annual contributions are made to designated capital reserves based on formulas and provisions as described in the Capital Reserves Bylaw and City Policy.

Schedule XII at the back of the 2016 Approved Operating and Capital Budget document reflects the sufficiency of these reserves.

As the following table shows, the balances of the City's capital and stabilization reserves heading into 2016 remain healthy, with a total estimated balance of $158.4 million.

Estimated Reserve Balances

Capital Reserves: ($ millions)	Jan/15	Jan/16
General	13.2	29.0
Prepaid Services (Land Development)	(26.7)	30.0
Property Realized	29.0	35.2
Boards/Commissions (Including Saskatoon Public Library)	42.4	32.3
Capital Reserves Total	**57.8**	**126.5**
Stabilization Reserves: ($ millions)		
Fiscal Stabilization	6.2	6.2
Land Operations Stabilization	2.7	3.4
Fuel Stabilization	1.3	1.3
Utilities Stabilization	9.1	11.1
Building Permits/Inspections Stabilization	6.0	6.7
Other	3.7	3.2
Stabilization Reserves Total	**29.0**	**31.9**
Total Reserves Balance	86.9	158.4

The Reserve for Capital Expenditures (RCE) has been established by City Council to provide funding for discretionary capital projects. In total, nearly $2.8 million was made available in 2016 to fund discretionary capital projects. RCE is funded mostly from an annual mill rate contribution.

Reserve for Capital Expenditures ($000's)	2016
Projected January 1 Opening Balance	990
Contribution From Operating Budget	3,678
River Landing Operating Funding	(1,123)
Minimum Balance Retained	(750)
Allocated RCE Funding for 2016 Capital Projects	2,795

While a majority of the City's reserves are in good financial condition, there are three reserves that are projected to be in deficit positions at the end of 2016. City Council has authorized these deficits as an exception from the normal requirement to remain in a zero or positive balance.

1) The Infrastructure Reserve for Water and Wastewater has been in a deficit position for the past number of years based on the advancement of flood control projects to alleviate further flooding. The plan to replenish the reserve is through a flood control levy of $4.50 per water meter placed on utility bills. This reserve is expected to be in a positive position by 2018.

2) Another reserve that has City Council's approval to remain in a deficit balance until 2017 is the Parks Infrastructure Replacement Reserve, to cover the higher construction costs of the WJL Harvey Park Redevelopment. The Parks Reserve will be replenished through annual contributions. The only plan to address the long-term underfunding of the Parks Infrastructure Reserve is to defer projects. There is no plan to impact the mill rate with any increases to fund the reserve deficit.

3) The Regional Waste Management Facility capital project to upgrade and expand the landfill had a $6.0 million withdrawal from the Landfill Replacement Reserve (LRR), placing the reserve in a deficit position until 2017. The plan is to replenish the reserve over time through revenues. An equivalent amount to the LRR deficit is being held in the Property Realized Reserve to cover this deficit. City Council has approved this strategy in principle.

Borrowing

The 2016 Capital Budget contains borrowing of $20.7 million, most of which ($13.9 million) is for debt payments for the Traffic Noise Attenuation projects. The remaining $6.8 million is for utility borrowing related to the Water Treatment Plants pumping and electrical upgrades. While borrowing is budgeted for projects as a source of funding, the actual borrowing is based on cash flow requirements.

The total outstanding debt as of December 31, 2014 was $238.1 million. The City borrowed an additional $15.0 million in 2015 for the Remai Modern Art Gallery (AGS). In addition to this, Bylaw No. 9313 has been drafted which authorizes up to $134.2 million in borrowing for the North Commuter Parkway (P3) Project. The expected outstanding debt balance as at December 31, 2015 will be approximately $228.1 million; this does not include the authorized debt for the North Commuter Parkway (P3 Project) as this will be recognized in a future year at substantial completion of the project.

The forecasted borrowing for the next five years is to increase to a peak near $527.0 million in 2021. In 2014, City Council approved the application to the Saskatchewan Municipal Board for an increase in the City's debt limit to $558.0 million. Most of this increase in project debt is associated with Public Private Partnerships (P3) such as the Civic Operations Centre, the North Commuter Parkway and Traffic Bridge Replacement projects. The total debt projections, including the P3 debt, are within the City's debt limit.

Borrowing related to the utility projects will be repaid through utility rates. The repayment of the debt related to the other projects is funded through the general operating budget and through the overall borrowing strategy, using gas tax revenues from the federal government.

External Funding Sources

Funding from external sources includes, but is not limited to, other orders of government programs, private contributions, fundraising campaigns, and corporate sponsorship or partnership arrangements. Some of the key external funding sources are the Federal Gas Tax Fund, the Federal Public Transit Fund and the Building Canada Fund.

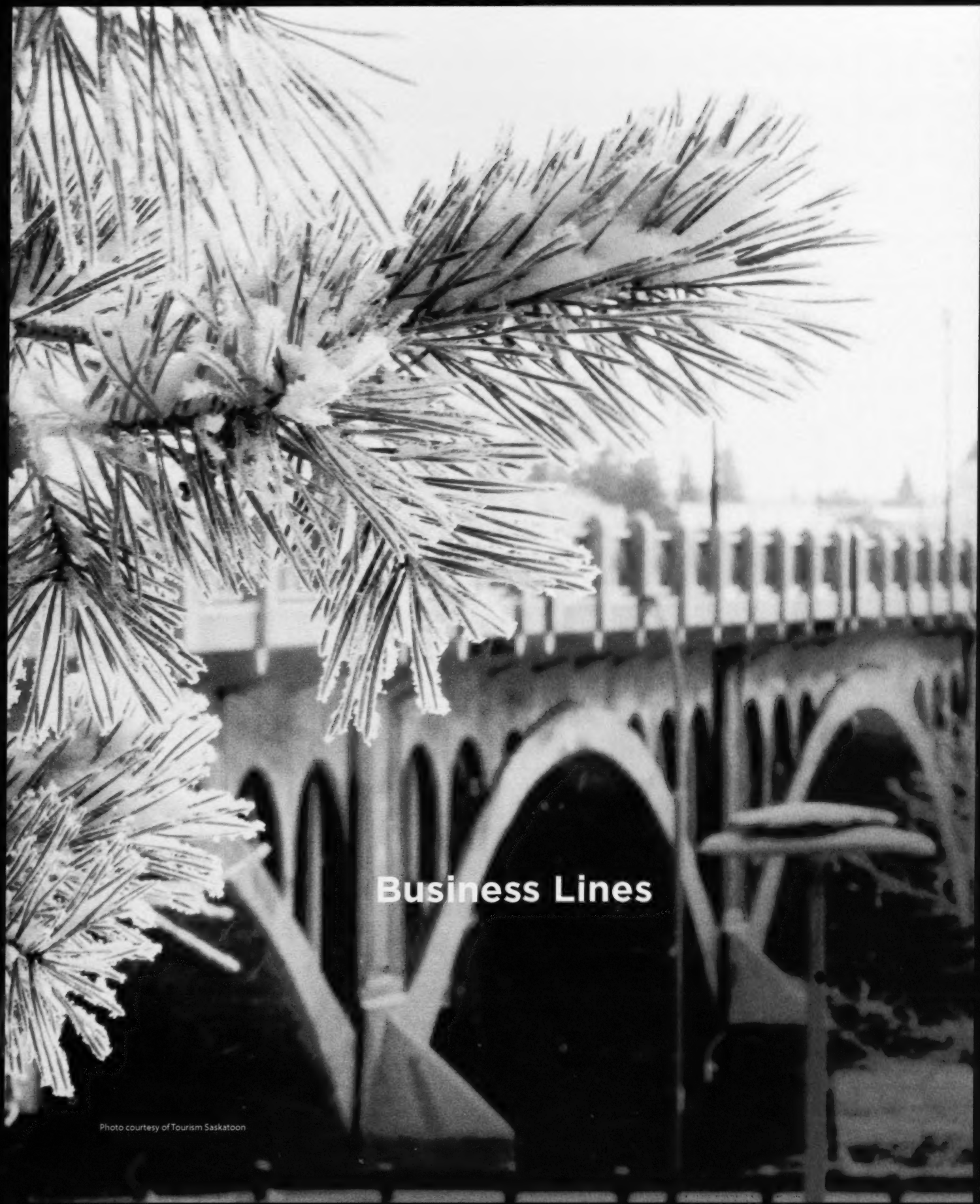
In the 2012 Federal Budget, the Federal Gas Tax transfer was made a permanent source of funding for municipalities. These funds are being allocated to a number of projects as cash and/or debt repayment on borrowing for these projects.

Operating Budget Impact of Capital Investments

Capital projects contained in the 2016 Capital Budget will impact future City operating programs. The additional operating costs for the 2016 projects for the years 2017 to 2019 are summarized below.

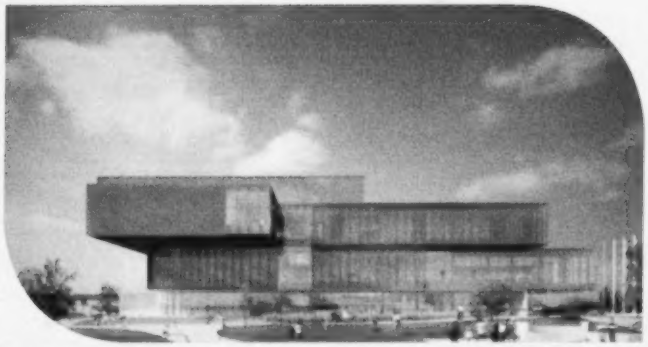
Operating Impact ($000's)	2017	2018	2019
Corporate Governance & Finance	25.0	0.0	0.0
Fire Services	0.0	0.0	100.0
Land Development	109.8	0.0	582.5
Policing	100.0	0.0	0.0
Recreation and Cultural Services	60.8	9.0	0.0
Transportation	179.2	116.2	0.0
Urban Planning & Development	150.0	0.0	0.0
Total	624.8	125.2	682.5

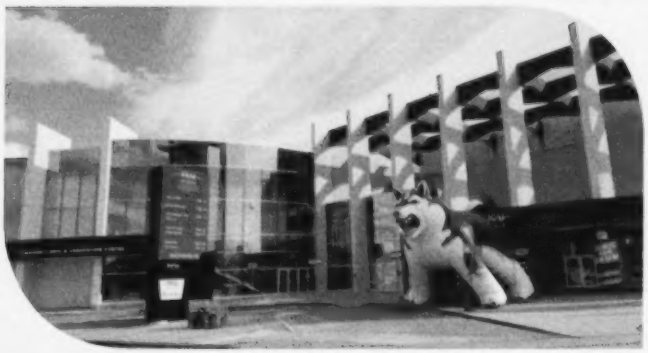
NOTE: Specific operating impacts are disclosed at the project level throughout the 2016 Approved Capital Budget details and summarized in Schedule IX of the Tables and Schedules Sections in the 2016 Approved Operating and Capital Budget document.



Business Lines

Photo courtesy of Tourism Saskatoon





Arts, Culture and Events Venues

Overview

Mendel Art Gallery – Remai Modern Art Gallery

The Remai Modern Art Gallery of Saskatchewan (Remai Modern) is a facility that is five times the size of the former Mendel gallery and will require a significant increase in operating funds. Leading up to the opening of the new gallery operating funds are being phased in based on the business plan and the City's ability to fund the increase. The Remai Modern is poised to become the premier Western Canadian art gallery, celebrating the region's contribution to the visual arts world while maintaining an uncompromising commitment to public accessibility. It will be recognized across Canada as one of the top art galleries in the country, and will become a hub of arts and culture for Saskatoon.

The Remai Modern will serve as a vital resource for local and regional art galleries, artist-run centres, museums, arts organizations, schools, universities and the diverse cultural communities of Saskatchewan.

The four-storey Remai Modern will be a year round key destination in River Landing for both residents and visitors. Together with Persephone Theatre and planned residential and commercial development on the adjoining site, the Gallery will help to animate the riverfront and connect with downtown.

SaskTel Centre

SaskTel Centre provides world-class culture, sport and live entertainment experiences for the social and cultural enrichment of the region, and does so by focusing on the Programs, Place and the People. The core values that define SaskTel Centre's operations are: Excellence in Safety, Exemplary Customer Service, Strong Fiscal Management and Environmental Stewardship.

TCU Place

TCU Place provides a wealth of opportunities for citizens to participate in and enjoy the benefits of business and culture in Saskatoon. Strategically, TCU Place's key goal is to encourage the many citizens of Saskatoon to take advantage of the cultural activities available to them. These activities are the heart of TCU Place's quality of life agenda in promoting individual and community well-being.

Operating Budget:	**$7.2 million**
Capital Budget:	**$0.8 million**

Strategic Goal:

Quality of Life

The facility offers a total of 120,000 sq. ft. of multi-purpose space on three separate floors including a 22,400 sq. ft. ballroom. The Sid Buckwold Theatre, with a seating capacity of 2,074 gives the facility additional flexibility to host a convention general session, a concert or theatrical performance. The theatre also works in partnership with and is home to the Saskatoon Symphony Orchestra.

At a Glance

Mendel Art Gallery – Remai Modern Art Gallery

- Remai Modern will be a key attraction in Saskatoon. Along with the River Landing development, the Gallery will be a destination for locals and tourists alike. The expected visitation for Remai Modern is 220,000 per year.

SaskTel Centre

- From concerts to hockey games, community events to festivals, the programs and events are the core of the operation, attracting nearly 800,000 visitors each year.
- With a capacity of over 15,000 the facility has been bringing world-class entertainers and artists, sports competitions, recreation, culture and tourism events to the people of Saskatchewan for over 25 years. It has hosted numerous local, national and international events including the Juno Awards, World Junior Hockey Championships and the Tim Hortons Brier to name a few. SaskTel Centre is one of Canada's busiest facilities and is known as the place to go to when something big is happening in Saskatoon.
- SaskTel Centre would not exist without the people. From the office and production staff to over 600 contracted staff and thousands of volunteers, all of the people are expected to go above and beyond to ensure the SaskTel Centre's core values are met.

TCU Place

- A City-owned and Board operated multi-purpose cultural and entertainment facility that includes a theatre for performing arts and a convention hall which attracts over 900,000 visits a year.
- With over 60 booking dates annually, entertainment options in the Sid Buckwold Theatre include ballet, dance companies, concerts, comedians, family shows and Broadway musicals.
- Hosting 800 events annually, the Convention Services provide the customers leading edge technical services and catering excellence for gala banquets, conventions, meetings, graduations and tradeshows.

Key Challenges and Risks

Infrastructure and Operations:

Mendel Art Gallery – Remai Modern Art Gallery

- Opening and operating a new art gallery in such a way that will revitalize the arts community and the City as a whole, while meeting attendance and funding goals. Five times larger than the Mendel Art Gallery, a key challenge will be using that space to its full potential and drawing both citizens and tourists to the space.

SaskTel Centre

- Aging building and systems – requires increasing maintenance costs and innovative solutions to remain competitive in the touring market.

TCU Place

- Established in 1967, TCU Place is an aging facility with high maintenance costs that continue to increase.
- Inadequate space to provide services for events hosting more than 1,500 people.

Stakeholders:

SaskTel Centre

- Reliance on touring shows – nearly 70 per cent of event related gross margin is derived from touring shows. Any loss or negative impact to this segment of business would be detrimental.

TCU Place

- Increased competition with local, national and international providers.
- Attracting quality and diversified theatre programming with competition coming from other local venues.

People:

TCU Place

- The challenging labour market and the difficulty of finding properly skilled staff.

Major Initiatives 2016-2018

Mendel Art Gallery – Remai Modern Art Gallery

- Leading up to the 2017 opening of the new Gallery, operating funds are being phased-in based on the business plan and the City's ability to fund the increase.

SaskTel Centre

- Expand self-promoted event category to reduce reliance on major touring shows.
- Expand the services offered to increase existing revenue streams and develop new revenue streams.
- Implement building and system upgrades and replacements, including but not limited to: energy efficient lighting and fixtures, parking lot upgrades, storage shed, retractable seating, and many updates to the finishes of the building.

TCU Place

- Upgrade kitchen, caretaking, sound, lighting, and maintenance equipment to ensure continued service quality in meeting customer expectation.
- Continue developing a cultural diversity action plan that meets the needs of changing population demographics.
- New flooring in the Salon and Gallery areas to include the access to the Midtown Plaza.
- Continue to support the "Quality of Life" Strategic Goal and emphasize the delivery of diverse and popular programming in the Sid Buckwold Theatre.
- Work with the City of Saskatoon to develop a new business model for future expansion/enhancement of the facility.

Arts, Culture and Events Venues Operating Summary

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	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Mendel Art Gallery-Remai Modern Art Gallery	0.0	5,026.1	**5,026.1**	1,365.0	37.3%
SaskTel Centre	0.0	558.8	**558.8**	0.0	0.0%
TCU Place	0.0	1,621.6	**1,621.6**	0.0	0.0%
Total	**0.0**	**7,206.5**	**7,206.5**	**1,365.0**	**23.4%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	141.9	144.2	2.3

Community Support

Overview

Saskatoon consistently ranks among the top cities in North America for quality of life. The City of Saskatoon defines quality of life as the sense of well-being achieved when people are physically and emotionally healthy, economically secure, safe, have adequate shelter, a sense of belonging, and share cultural and social connections.

Achieving quality of life for residents of Saskatoon requires the combined commitment of individuals, families, community organizations, service providers and the City of Saskatoon. The Community Support business line provides both human and financial supports for community groups, as well as a broad range of City-led initiatives. These initiatives are aimed at building capacity in sport, recreation, culture, heritage and social organizations, and enhancing neighbourhood-based associations. The Community Support business line also provides subsidized or no cost programs where cost is a barrier for families or individuals. In addition, within this business line are services respecting dignity and addressing cost as a barrier in the services provided by Cemeteries and the Animal Control program. Further, economic development, tourism and protection of our river valley are supported through contributions to the Saskatoon Regional Economic Development Authority (SREDA), Tourism Saskatoon and the Meewasin Valley Authority (MVA).

Community supports often take the form of investments in community-based organizations. This approach ensures a balance between municipal leadership and community involvement in the development and revitalization of facilities, programs and services, and the protection of Saskatoon's heritage buildings and structures. Partnerships and community collaboration continue to be keys to the success of this service delivery approach. Further, the human and financial leveraging facilitated through this approach is exponential.

Operating Budget: $13.7 million

Capital Budget: $0.3 million

Strategic Goal:

Quality of Life

At a Glance

- Provides support and community investments to approximately 65 social agencies; 50 sports organizations; 52 community outdoor rinks; 47 community associations; 17 arts, culture and heritage organizations; and 19 community gardens.
- Provides in excess of $6.4 million in community support grants.
- Community support grants leverage both human and financial resources in the community-based organizations

in excess of $48.0 million in self-generated revenue; approximately 600,000 visits to cultural facilities; approximately 125,000 Community Association volunteer hours; 60,000 sport, culture and recreation program hours; and 161,300 program participants.

- Supports the stewardship of the natural and heritage resources along the river edges through our connection and supports to MVA.
- Supports expanding our economy through tourism by providing grants to Saskatoon Tourism.
- Supports economic development to ensure Saskatoon is a place to live, work, invest and prosper through our supports to SREDA.
- Coordinates programs designed to enhance the engagement of Aboriginal people, address racism and discrimination, and enhance racial harmony.
- Maintains Woodlawn Cemetery and Nutana Pioneer Cemetery, with over 500 burials and 40 subsidized burials annually.
- Subsidizes approximately 175 spay or neuter surgeries a year.
- Subsidizes approximately 87,200 Leisure Access visits to leisure facilities a year.

Key Challenges and Risks

Infrastructure and Operations:

- Being able to meet the growing community needs for animal services in response to pet owners' requests to provide additional dog parks and additional amenities at existing parks (e.g. benches, dispenser bags, education signage and garbage containers). Also there is a decline in pet owners buying pet licences, resulting in less revenue to cover program costs and an increase in stray cats and dogs in Saskatoon.
- An aging population and an expanding diversity of cultures presents some challenges for Woodlawn Cemetery in providing services that will ensure the cemetery operations continue to meet the needs and maintain cost recovery objectives.

Financial:

- Changing funding priorities has more Government grant dollars being directed to employment and economic development programs and initiatives. This means less funding available for the cultural and social community based organizations.
- Securing the necessary funding for Woodlawn Cemetery asset renewal while maintaining rates that reflect fair and stable market prices.

Stakeholders:

- Balancing municipal leadership, private sector involvement and community involvement in addressing the needs of the community.
- Ensuring our programs, services and various infrastructures (facilities, roads, sidewalks, etc.) are barrier free for citizens of all abilities and are accessible (geographically, physically and financially) for the broadest segment of the community.
- Collaborative delivery of services depends on partners/ arms-length service delivery agents fulfilling commitments.
- Increasing diversity in Saskatoon's population means ongoing changes and challenges to building cultural and social cohesion.
- Increasing demands on community based organizations and volunteers to be the delivery agents, along with increased demands for reporting and offering a wider variety of programs and services.

Major Initiatives 2016-2018

Implement the Following 4-Year Priorities:

- Enhance and develop new partnerships and programs for the Urban Aboriginal Leadership Program. These programs will assist in enhancing economic, employment and training opportunities.
- Collaborate with the Saskatoon Council on the Age Friendly Saskatoon Initiative. Develop an action plan to become a more "age-friendly" city where older adults can lead healthy independent lives and are active and engaged members of the Saskatoon community.
- Implement the Immigration Action Plan through community intersectoral collaboration. Ensure the City's programs and services are changing along with the changes in the community.
- Focus marketing efforts on education and awareness of the pet licensing program to help increase revenues.

Implement the Following 10-Year Strategies:

- Update and continue implementation of the Corporate Accessibility Action Plan, a collaborative, long-range, ongoing effort to address accessibility of civic facilities, programs, services and infrastructure.
- Enhance activities for youth to increase positive race relations and civic engagement among the young adult community.
- Undertake initiatives to strengthen relations and partnerships with Aboriginal organizations and focus the provision of programs and services on identified gaps.
- Implement the Culture Plan recommendations with a focus on a long term strategy to invest in and support the cultural

sector in Saskatoon. Specific initiatives are highlighted in the Recreation and Culture business line.

- Through our involvement with the Saskatoon Collaborative Funders Partnership pilot an evaluation and reporting tool among local community organizations that have a similar mandate.
- Support community building through direct investment, community development expertise, and support to volunteers on committees and community associations.
- Develop a Saskatoon Municipal Cemetery Services Master Plan to provide high level guidance with regard to the years of available gravesites remaining and potential funding strategies to support asset renewal in Woodlawn Cemetery prior to reaching capacity.
- Implementation of the animal services program plan is highlighted within the Recreation and Culture business line.

Other Ongoing Major Initiatives:

- Develop a partnership policy based on the framework presented in the Recreation and Parks Master Plan and explore opportunities in the near future.

Continuous Improvement

- Monitor the new community associations being established in new neighbourhoods and the resulting supports required from the City.
- Electronic grants administration to reduce copying cost and paper, to streamline the process and improve service to grant applicants.
- Undertake a Corporate wide review of supports the City provides for low income residents.
- Review and formalize internal graffiti management processes and procedures across departments and divisions to streamline processes.

Performance Measures

Increase Visits to City Recreation and Cultural Facilities to 6,600 Visits/1,000 Residents:

- Review the Leisure Access and Youth Sports Subsidy programs to ensure they are addressing cost as a barrier to participation in the most efficient and respectful way.
- The grant supports to the 16 major cultural organizations helps leverage revenues for the organizations and increase participation numbers at cultural facilities.

Workforce Representative of the Diversity of Saskatoon's Population:

- The anti-racism, cultural diversity, race relations and immigration initiatives help support the workforce diversity targets by facilitating the conditions within the workplace whereby we offer an inclusive workplace that embraces diversity.
- Promote existing cultural education and awareness programs. Establish an anti-racism, anti-discrimination education strategy aimed at increasing intercultural competencies.

500 New Units Annually Across the Attainable Housing Continuum:

- Deliver the Mortgage Flexibilities Support program and advocate for enhanced programming from other levels of government to create better leverage for municipal funding.

Business Growth (Indicator):

- Support SREDA in facilitating growth of existing businesses and attracting new businesses, including Aboriginal-owned businesses.

Community Support Operating Summary

000's

	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Animal Services	(639.3)	1,277.9	**638.6**	42.2	7.1%
Community Development	(202.8)	3,518.0	**3,315.2**	135.9	4.3%
Community Investments & Supports	0.0	9,583.4	**9,583.4**	87.7	0.9%
Cemeteries	(1,427.4)	1,568.5	**141.1**	(35.6)	-20.1%
Total	**(2,269.5)**	**15,947.8**	**13,678.3**	**230.2**	**1.7%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	30.6	30.6	0.0

Corporate Asset Management

Overview

The Corporate Asset Management business line provides support and services for all civic programs and departments including building operations and maintenance services for City buildings and structures such as leisure facilities, fire halls, transit buildings, civic offices, libraries and galleries, Police Headquarters, and other associated services for TCU Place and SaskTel Centre. The Fleet Services program within this business line provides equipment management services for the Corporation's vehicles and equipment fleet, including purchasing, leasing, maintenance and repair, fuel distribution and operator training.

The City employs an asset management and comprehensive maintenance program for the preservation of civic facilities and fleet infrastructure. This program combines preventive maintenance with cyclical infrastructure renewal to ensure facility and fleet assets are optimized for longevity.

Operating Budget: $8.1 million

Capital Budget: $14.7 million

Strategic Goal:

Asset and Financial Sustainability

At a Glance

This business line's key role in providing management services for the Corporation's facilities and fleet incorporates asset inventory, management and capital renewal:

- Total building areas: 359,550 square metres
- 376 buildings maintained valued at $1.53 billion and contents value of $244.2 million
- Vehicle parking areas maintained and operated: 92,268 square metres
- Play structures maintained: 184 structures valued at $8.5 million
- 28,670 park furnishings maintained in 233 parks
- Civic Water Features maintained and operated: 10 pools; 32 paddling pools; 16 spray parks
- More than 9,300 assets maintained via the Comprehensive Maintenance Program
- 1,300 vehicles and equipment in the City's fleet worth a book value of $80.0 million
- Diesel and gasoline consumption: 8.3 million litres per year from 23 separate fueling stations
- Trunked radios on radio system: 1,435 radios and related infrastructure valued at $15.2 million

Photo Credit: photographer name.

Key Challenges and Risks

Infrastructure and Operations:

- Corporate Asset Management continues to plan for this growth, and a primary concern is maintaining the aging infrastructure of existing assets and managing the capital renewal backlog to ensure business continuity and maximizing positive citizen experience.
- Building capacity for civic facility site capital renewal and addressing deferred maintenance of the City's site infrastructure, including parking lots and entrance roadways, sidewalks and site lighting, underground infrastructure and utilities.
- Establishing a sustainable capital renewal program for park amenities and play structures for long-term asset preservation and replacement.

Major Initiatives 2016-2018

Implement the Following 4-Year Priorities:

- Identify opportunities within the community to improve accessibility for all citizens and incorporating accessibility into civic design standards for the built environment.
- Develop core capital renewal principles and funding strategies for facility site capital renewal, park amenities, and play structures within a long-term asset management and preservation program.

Implement the Following 10-Year Strategies:

- Construction of the new Saskatoon Transit Operations Facility and the City's first Snow Management Facility as part of the new Civic Operations Centre.

Other Ongoing Initiatives:

- Continue radio system enhancements to meet civic demand and provincial emergency communication networks.
- Continue defining the immediate and long-term space requirements and opportunities for co-located efficiencies and the new Call Centre in our civic accommodation plans.

Continuous Improvement

- With the completion of the Fleet Services Civic Service Review in 2015, an asset management plan for implementing recommendations of the review will be forthcoming.
- Revisiting the Corporate Security Plan for all civic facilities in addressing access and emergency protocols.
- Work towards mutually derived service level agreements with customers and user-groups to reflect requirements and expectations to support program delivery.

Performance Measures

Increase Visits to City Recreation and Cultural Facilities to 6,600 Visits/1,000 Residents:

- In partnership with the Major Projects division, oversee the smooth transition of gallery operations into the new Remai Modern Art Gallery of Saskatchewan.

Satisfaction with Civic Services of 90 Per Cent or More:

- Work with Recreation & Sport division to develop level of service agreements for facility cleanliness and facility maintenance to meet the expectations of users and increase their level of satisfaction.

Reduce the City of Saskatoon's Greenhouse Gas Emissions by 30 Per Pent from 2006 Levels:

- Develop energy management programs and strategies for effective management of water, electrical and natural gas consumption within civic facilities.
- Continue expansion of energy management initiatives partnered with Environmental Health including the completion of the combined heat and power projects at the Shaw Centre and Lakewood Civic Centre, energy performance contracting, and maximizing operational efficiencies.

Corporate Asset Management Operating Summary

000's

	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Facilities Management	(77.1)	8,580.6	**8,503.5**	631.1	8.0%
Fleet Services	0.0	0.0	**0.0**	0.0	0.0%
City-Owned Property – Land	(2,526.8)	2,159.3	**(367.5)**	60.8	-14.2%
Total	**(2,603.9)**	**10,739.9**	**8,136.0**	**691.9**	**9.3%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	229.7	229.7	0.0

Corporate Governance and Finance

Operating Budget: $51.4 million

Capital Budget: $2.1 million

Strategic Goals:

Asset and Financial Sustainability

Culture of Continuous Improvement

Overview

The Corporate Governance and Finance business line provides essential direction and support for the City of Saskatoon in three main areas:

- Governance
- Finance
- Performance

The leadership and expertise that City staff provides in these important areas help ensure the smooth, seamless delivery of programs and services to citizens, businesses, organizations and other stakeholders.

Corporate governance oversees legislative and legal compliance, and implements strategic corporate programs to support City Council and the Administration. Corporate governance includes the Offices of the City Manager, the City Solicitor and the City Clerk, and carries out the legislated duties of the Corporation, as defined in the *Saskatchewan Cities Act*.

The Chief Financial Officer (CFO) provides corporate financial leadership to City Council and the Administration. The CFO reports to the City Manager and partners with General Managers on the overall development and deployment of financial plans and strategies to enable effective program and service delivery. The CFO administers the corporate Risk Based Management System, which is intended to ensure that significant risks facing the City are addressed in a positive, systematic and productive way. The CFO is also the General Manager of the Asset and Financial Management Department.

A key function of the Corporate Governance and Finance business line is to operationalize the City of Saskatoon's mission and vision by aligning organizational performance with the Strategic Plan. Through sound management and strong governance the business line supports other divisions within the organization in achieving the seven Strategic Goals.

By focusing on continuous improvement and performance measurement, the organization is making strides to provide the best possible services in both an innovative and creative manner. Enhancing effectiveness and improving efficiency allows for the delivery of affordable and sustainable programs to citizens. This ensures the Administration continues to focus on its long-term goal of managing the Corporation in a smart, sustainable way.

The Corporate Governance and Finance business line contains several additional employee and organizational services that ensure corporate support functions work together to help front-line staff deliver quality services to the citizens of Saskatoon. Keeping citizens informed through community engagement and employing corporate communications are two important functions of the Corporate Governance and Finance business line.

Employee and organizational services include:

- Human resources
- Strategic and business planning
- Government relations
- Aboriginal affairs
- Corporate communications
- Customer service
- Information technology
- Billing and collection of revenue

At a Glance

- Total Corporate Operating Budget: $443.1 million in 2015.
- Total Corporate Capital Budget: $373.4 million in 2015.
- There are 11 elected officials consisting of the Mayor and 10 Ward Councillors.
- There are 12 unions and associations within the City's organizational structure.
- The 2015 assessed value of all property in Saskatoon from the preliminary roll is $40.4 billion (taxable $32.2 billion).
- There are 18 Joint Occupational Health and Safety Committees representing employees from every department in the City's organizational structure.
- Over 3,000 Service Alerts were issued in 2014; to keep the public informed on service disruptions.
- IT supports infrastructure information for over 70,000 properties and nearly 4,000 km of roads, water, dust and wastewater collection systems.
- IT provides infrastructure and support for over 5,000 devices and 60 locations in the Corporation.
- There were 3,571 full time equivalent (FTE) operating and capital budget positions in 2015. Currently there are 4,101 permanent employees (includes full time, part time and job share employees).
- There are approximately 30 boards, commissions and committees.

Key Challenges and Risks

Infrastructure and Operations:

- The ability to finance the maintenance and replacement of the City's existing, aging infrastructure.

Financial:

- Developing the appropriate taxation or user fee models for service delivery funding.
- Consolidation of the City's current financial systems and applications in order to maximize efficiencies and minimize costs.
- Continued work towards aligning current budget allocations based on priorities and approved service levels including identification of funding required for baseline operations at the approved service levels.

Stakeholders:

- Expectations for increased communications, engagement, customer service and digital programs/media are growing faster than our capacity to deliver.

Information Technology:

- Rapid, ongoing changes in technology.

People:

- Attracting top talent in a dynamic job market.
- Creating an organization that embraces a diverse and inclusive workforce that supports employees with different needs and expectations and is representative of the population being served.
- Ensuring potential and new managers are trained on critical skills, knowledge, competencies, values and behaviours required to succeed in a leadership role within the City.

Major Initiatives 2016-2018

Implement the Following 4-Year Priorities:

- Develop a comprehensive business case to justify the most cost effective system to consolidate many current financial, payroll and human resource systems.
- Develop a strategy for a new engagement process and reimagine what an engaged community can look like by implementing a wide range of tools and opportunities that will enable everyone to participate more fully in City decisions.
- Continue the transition from manual meter reading to Advanced Metering Infrastructure (AMI).
- Develop an Employee Rewards and Recognition Program in consultation with employees.

- Develop a recruitment and retention strategy to attract and retain the best available talent.
- Utilize the Succession Planning Framework to develop a succession plan for each General Manager and Director position.
- Enhance the new website through ongoing review of the third party applications and software to ensure they are meeting the digital standards. Integrate silo microsites such as *"Growing Forward"* into Saskatoon.ca to create a one-stop online shop for civic programs and services.
- Develop a long-term financial plan which combines financial forecasting with financial strategizing to identify future challenges and opportunities, causes of fiscal imbalances and strategies to secure financial sustainability.
- Explore alternate sources of revenues to pay for ongoing operations.
- Develop a policy and standardized process for defining, establishing and obtaining approval of asset and maintenance/operational service levels and associated costs for key assets outlined in the Corporate Asset Management Plan.
- Develop a life-cycle costing model which departments can utilize to provide consistent and reliable information during budget deliberations regarding major asset acquisitions.
- Review and recommend new public accountability measures for City Council.
- In collaboration with all divisions across the organization, develop a 4-year plan for Civic Service Reviews and continuous improvement initiatives that are coordinated with the Internal Audit Plan and Strategic Plan to improve the effectiveness and efficiency of programs and service delivery to our citizens.
- Develop a formal tracking and reporting process for all performance improvement initiatives.

Implement the Following 10-Year Strategies:

- Create and encourage a workplace culture of continuous improvement that encourages innovation and forward thinking. Identify targeted opportunities to implement specific continuous improvement tools within each division.

Other Ongoing Initiatives:

- Articulate the vision of the role of IT for the City of Saskatoon. Leverage technology and emerging trends to reach the City's goals, serve citizens and connect meaningfully with stakeholders.
- Develop a formalized corporate fundraising strategy and/or a philanthropic policy.

Continuous Improvement

- Review processes, systems, and industry best practices to ensure the City more effectively and efficiently addresses current taxation options, and operates in a shorter reassessment cycle if required.
- Explore opportunities to convert paper records to digital to reduce current office storage requirements, allow for easier access to historical records, and assist with records security and efficiencies.
- Implement Electronic Agenda and Meeting Management components to streamline processes and improve access to information from City Council and Standing Policy Committees.
- Evaluate the use of NotifyNow and Service Alerts to eliminate redundancies and improve communication delivery to citizens during emergencies and service disruptions.
- Explore new options regarding the budgeting processes including Priority-Based Budgeting which assists in aligning resource allocations with Strategic Goals, economic indicators and other relevant market information.
- Implement purchasing cards throughout the Corporation in order to reduce processing time in accounts payable and expedite the purchasing process within each department.
- Develop a Corporate Project Management System to improve consistency and efficiency in all projects across the organization.
- Develop a Corporate Training System including leadership development and technical training.
- Implement a data warehouse and business intelligence tool to enable the development of workforce analytics, collective bargaining strategies and workforce planning.
- Implement Managed Print for the Corporation which includes partnering with a private company that would supply all printing assets and their maintenance.
- Implement a Service Catalogue with a self-service portal as a means for customers to order pre-defined, bundled goods and services from the IT division in an easy to use and efficient manner.

Performance Measures

Satisfaction With Civic Services of 90 Per Cent or more:

- Increase satisfaction with civic services through implementation of Service Saskatoon and the 311/Customer Relationship Management initiative with a digital first approach; initial focus will be on services provided by Public Works.

Workforce Representative of the Diversity of Saskatoon's Population:

- Implement the Diversity and Inclusion Action Plan that supports increased workforce proportions for each of the identified diversity groups.

Zero Lost Time Incidents:

- Audit the health and safety practices of four divisions and assist in identifying and developing an action plan to address the three top priorities.

Maintain Key Civic Infrastructure at Desired Service Levels:

- Expand the Asset Management Program (AMP) with five more asset classes including bridges, facilities, fleet and equipment. For each asset class, the AMP will include the asset inventory, condition of assets, costs to rehabilitate and maintain the asset at the desired service level, a funding strategy and a plan for achieving the approved service level.

Annual Municipal Property Tax Increase Equal to or Less Than the MPI and Municipal Property Tax per Capita:

- Create a culture of continuous improvement and innovation throughout all City operations through building capacity for Civic Service Reviews and Internal Process Reviews. Reviews will identify opportunities to increase efficiencies to minimize long-term costs and improve services within each division.
- In collaboration with other divisions, identify the cost per to deliver alternative levels of service as a base for more informed decisions on approved service levels.
- Evaluate opportunities to engage citizens to secure input on spending priorities and preferences for balancing the City of Saskatoon's budget.

Debt Supported by Taxes is Less Than $1,750 per Person:

- Review and provide recommendations on the current Capital Reserve Bylaw and Reserve Policies and continue debt financing in accordance with the major capital long-term funding plans.

Corporate Governance and Finance Operating Summary

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	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Legislative	0.0	1,562.1	**1,562.1**	20.4	1.3%
City Manager's Office	0.0	675.4	**675.4**	19.0	2.9%
City Clerk's Office	(6.0)	2,370.4	**2,364.4**	78.0	3.4%
City Solicitor's Office	(278.0)	2,230.6	**1,952.6**	31.7	1.7%
Corporate Support	(70.8)	18,913.0	**18,842.2**	616.8	3.4%
General Services	(9,454.6)	6,212.4	**(3,242.2)**	350.9	-9.8%
Assessment & Taxation	(24.5)	3,672.1	**3,647.6**	91.1	2.6%
Revenue Services	(103.6)	2,029.0	**1,925.4**	81.5	4.4%
Financial Services	0.0	3,097.6	**3,097.6**	205.9	7.1%
Debt Servicing	(7,176.5)	27,736.3	**20,559.8**	856.3	4.3%
Total	**(17,114.0)**	**68,498.9**	**51,384.9**	**2,351.6**	**4.8%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	400.7	400.7	0.0

Environmental Health

Overview

A healthy environment is essential to a healthy population, now and in the future. The City of Saskatoon demonstrates Environmental Leadership through a number of programs, services and activities under the Environmental Health business line. Saskatoon's waste handling services form the core of this business line. Plans, policies and environmental regulations guide air, water and land protection, along with efforts to reduce the impact of our activities for the benefit of citizens today and tomorrow.

Programs and services include: collection and management of solid waste; recycling and composting program development and management; implementation of environmental programs to reduce energy use and the emission of greenhouse gases; stewardship of household hazardous waste; responsible management or remediation of City-owned contaminated sites; water and air quality protection efforts; management of Saskatoon's urban forest; prevention of the spread of insect and plant pests; wildlife management; and environmental policy development. These programs and services are delivered by three divisions:

The Public Works division is responsible for Waste Handling, the Parks division delivers Pest Management and Urban Forestry services and the Environmental & Corporate Initiatives division is responsible for the Environmental Program and components of the Waste Reduction and Resource Recovery program.

Operating Budget: $12.7 million

Capital Budget: $1.6 million

Strategic Goal:

Environmental Leadership

At a Glance

- The Parks division maintains the health and beauty of over 105,000 park and boulevard trees and proactively prunes approximately 10,000 trees each year. The civic nursery produces quality nursery stock for annual planting and reforestation efforts.
- The Waste Stream Management section of Public Works collects more than 2.8 million residential garbage containers each year with a success rate of 99.9 per cent.
- Garbage collection services are provided by Public Works to 67,000 single-family homes by a fleet of 18 garbage trucks and to 23,000 multi-unit residential properties using several front-fork collection trucks.
- The Landfill receives approximately 119,000 tonnes of garbage annually; 55 per cent is residential garbage.

- In addition to recycling and composting programs provided by the Waste Services Utility, waste diversion programs collect over 75,000 kgs of hazardous waste and 1,500 tonnes of recyclable cardboard and other materials at public depots. In total, nine waste diversion programs divert 22.5 per cent of the waste generated in the community away from the Landfill.
- 13 civic buildings contain sophisticated utility monitoring equipment to prepare for extensive energy efficiency upgrades that will save hundreds of thousands of dollars in future annual utility costs.
- $7 million (and growing) has been saved on construction projects involving contaminated soil while also improving environmental stewardship of materials of concern to human or environmental health.
- Pest Management monitors and treats 1,380 hectares of land in and around Saskatoon for mosquito larvae, monitors the entire city for Dutch elm disease (DED) and initiates the removal of infected trees, manages nuisance wildlife and administers the provincial *Noxious Weed Act*.

Key Challenges and Risks

Infrastructure and Operations:

- To manage the increased costs of protecting the established trees within the City's Urban Forest which is a result of City growth and infrastructure renewal.

Financial:

- Saskatchewan does not yet have a full suite of Extended Producer Responsibility (stewardship) programs which means the costs for waste diversion programs are fully born by citizens either through property taxes or utility fees. Creating a cost-shared policy for the companies producing these waste materials is a difficult challenge and requires a Provincial government response.

Environmental:

- Environmental planning for the conservation of our natural assets (biodiversity, wetlands, native prairie, aspen tree stands and geological) when designing new neighbourhoods for outward expansion and city growth.
- Effectively managing existing resources, planning for the future and creating awareness of greenhouse gas emission reductions as these continue to increase from civic operations and from across the community. Legislation mandating emission reduction is anticipated in the near future.
- Further educating the community on waste reduction and waste diversion programs such as recycling and composting in order to extend the Landfill's useful life.
- Weather events that require an immediate response require reallocation of staff without notice. Effectively managing, predicting and responding to the increased costs associated with the introduction of invasive pests and diseases within our urban forest then becomes a challenge.
- The quality and quantity of water available in the South Saskatchewan River is subject to significant changes as a result of climate change. This creates a challenge for the City's ability to provide cost-effective drinking water to citizens and the local economy.
- Air quality, while remaining 'Good' has shown trends toward deterioration from civic operations and from across the community. Implementing energy management programs across the entire organization will take time and places added pressure on costs.
- Requirements under the new Saskatchewan Environmental Code impact development for infill and strategic growth areas of the City, requiring the safe and cost-effective management of contaminated sites.
- Climate change, extreme weather events, flooding and drought conditions affect a number of civic services and assets.
- The threat of the West Nile Virus and other illnesses can result in mosquito and other insect populations becoming an issue. Outward growth of the City will require increased travel distances and increased areas of control to provide an effective mosquito control buffer zone. A similar pressure also exists for Inspection Services that administer the *Noxious Weed Act*.
- Advances in vehicles, equipment, technology, alternative fuels and electric vehicles are occurring rapidly that will have impacts on the City's use of current civic vehicles and equipment.

Stakeholders:

- The prioritization of resources to meet as many requests from community partners for participating in a variety of environmental awareness initiatives (e.g. Earth Hour, Earth Day, Canada Environment Week, etc.).
- Waste management services have expanded and will continue to develop to meet the waste diversion rate target. Waste-related customer complaints and bylaw infractions are rising as a result.

Major Initiatives 2016-2018

Implement the Following 4-Year Priorities:

- Implement an effective DED program to prepare for the impacts of climate change and stop the spread of this disease.
- Develop additional emergency response plans for emerging invasive pest issues, particularly DED and Emerald ash borer.

Implement the Following 10-Year Strategies:

- Develop a Storm Water Master Plan by forming a collaborative team including the Stormwater Utility, the Meewasin Valley Authority, and the divisions of Planning & Development, Parks, and Environmental & Corporate Initiatives to mitigate for the impact of severe weather events on the City's infrastructure.
- Expand tools and training to help civic employees with environmental reporting and improving sustainability outcomes such as increased recycling, paper reduction, energy and water conservation, and fewer releases of pollutants into the environment.

Continuous Improvement

- Develop and implement a new tree inventory software system that provides greater accuracy about the location and condition of trees to assist with planning and better workflow management and to prepare for the impacts of climate change.
- Develop an implementation plan for the initiatives identified through the Waste Handling Civic Service Review.
- Complete a review of the need for additional Bylaw Inspectors once efficiency gains have been achieved through corporate alignment.
- Complete a Civic Service Review for the Urban Forestry program.
- Complete an Internal Process Review for Public Works staff scheduling to maximize the opportunity for the efficient delivery of identified service levels.
- Coordinate back-lane tree-trimming across the several work groups that require this service to achieve cost savings.
- Complete and implement the findings from the study on the beneficial reuse of street sweeping tailings.
- Environmental & Corporate Initiatives will complete documentation and improve file records management for the following process improvements initiated or fully implemented in 2015: Energy Performance Contracting, Efficient Waste System Project, Soils Handling Strategy, Green Cart Registration, Integrated Waste Customer Service and Corporate Spill Response.

Performance Measures

Divert 70 Per Cent of Waste From the Saskatoon Landfill:

- Based on the results of a comprehensive community waste audit, develop a Waste Diversion Plan that outlines the specific strategies and benchmarks for increasing the waste diversion rate to 70 per cent by 2023.
- Develop the first phase of Recovery Park, a 'one-stop' waste diversion facility located West of the Landfill that has the potential to increase waste diversion to 30 per cent.

Reduce the City of Saskatoon's Greenhouse Gas Emissions by 30 Per Cent From 2006 Levels:

- Create a business plan to reduce greenhouse gas (GHG) emissions while improving Saskatoon's competitive position in the new green economy. The plan will help the City capture opportunities for energy-efficient practices in its buildings, transportation and operations, and utilize more green energy technologies.

Zero Lost Time Incidents:

- Develop a training matrix for each position within Public Works to support the safety goal of zero lost time injuries.

Satisfaction With Civic Services of 90 Per Cent or More:

- Increase citizen satisfaction by improving customer service and productivity through training.

Environmental Health Operating Summary

000's

	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Environmental Program	0.0	480.4	**480.4**	6.2	1.3%
Urban Forestry	0.0	3,565.8	**3,565.8**	61.0	1.7%
Waste Reduction & Resource Recovery	(8.2)	890.0	**881.8**	66.3	8.1%
Waste Handling Service	(6,540.0)	13,354.4	**6,814.4**	(506.6)	-6.9%
Pest Management	(5.0)	921.8	**916.8**	53.6	6.2%
Total	**(6,553.2)**	**19,212.4**	**12,659.2**	**(319.5)**	**-2.5%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	106.3	107.3	1.0

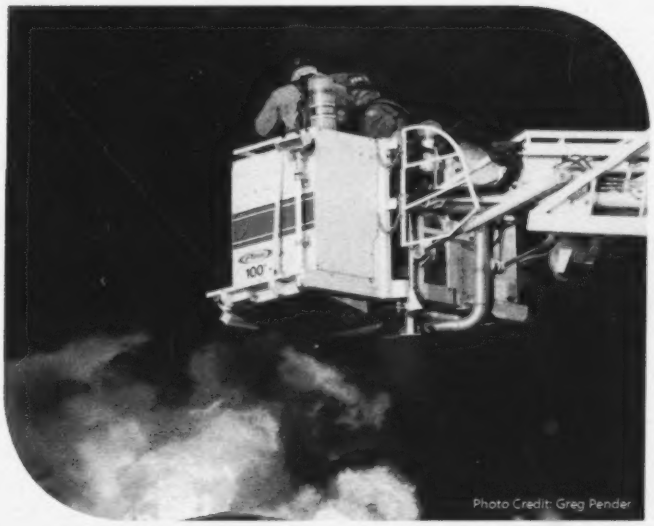

Photo Credit: Greg Pender

Operating Budget: $46.6 million

Capital Budget: $2.4 million

Strategic Goal:

Quality of Life

Fire Services

Overview

The Saskatoon Fire Department (SFD) is responsible for emergency planning and response to mitigate all incidents of concern within the City of Saskatoon and surrounding RMs that are covered by applicable service agreements. The Department's responsibility to enforce the above initiatives is through both *The Fire Prevention Act 1992* (soon to be *The Fire Safety Act*) and *The Emergency Planning Act*. The responsibilities of the SFD are enabled through *The Cities Act* and then Saskatoon Fire and Protective Services Bylaw 7990 within Part II, Section 4, and codified June 18, 2012. The SFD combines enforcement with proactive prevention and education to align with the City's Strategic Goals of Public Safety and Quality of Life.

At a Glance

The SFD has 334 staff with 284 in the Operations division and the remainder within the Administration, Prevention, Training, Emergency Measures and Support divisions. The operational staff currently operate 12 front line engines, two rescue trucks and two aerials out of nine fire stations. In 2015, crews responded to 12,618 emergency and non-emergency calls not including inspection activity or community engagement events.

Through the Fire Prevention division, the Property Maintenance and Nuisance Abatement Bylaw 8175 saw 2,364 complaints which generated 5,949 inspections and re-inspections in 2015.

The SFD continues to provide the Saskatchewan Rental Housing Supplement Program to improve the overall standard of rental properties in the City. The Fire Prevention division will inspect up to 1,040 single family rental properties to assist clients of social services.

Through a tiered-response agreement with the Saskatoon Health Region, the SFD plays a major role in the delivery of pre-hospital care to the citizens of Saskatoon. Another area of support is through Needle Safe Saskatoon where the SFD picks up discarded needles in public spaces.

A new initiative for 2015 was the introduction of the Fire Cadet Program. This is a partnership with the Saskatoon Public School Board. The partnership saw grade 9, 10 and 11 students from Bedford Road Collegiate and Mount Royal Collegiate take part in an eight week fire training program. The goals of the program are personal development, leadership and teamwork. The program has proven successful and will be expanded for 2016.

Key Challenges and Risks

Infrastructure and Operations:

- Expansion of the City's population and physical boundaries requires an increase in resources to meet those demands based on standards adopted by City Council. Expanded operations will require additional resources in all support divisions.
- Exchange rate fluctuations of the Canadian dollar versus the United States dollar impact major equipment and apparatus purchases.

Stakeholders:

- Increased property maintenance concerns within the City require a coordinated approach.

People:

- Succession planning for departmental senior management positions.

Major Initiatives 2016-2018

Implement the Following 4-Year Priorities:

- Relocation of Fire Stations No. 3 and No. 5.
- Develop a plan for upgrades or replacement of the department training/mechanical maintenance shop.
- Undertake a service review (in 2016) focused on the fire prevention/inspection process to determine what technologies will assist in maximizing efficiencies when performing property inspections.

Other Ongoing Major Initiatives:

- Continue building partnerships with Provincial Emergency Management and Fire Safety in the areas of disaster response, communications and departmental certifications.
- Upgrade station headquarters to accommodate accessibility needs, communications and the apparatus bay for larger equipment.
- Develop a coordinated bylaw enforcement group to address increased property maintenance concerns within the City.

Continuous Improvement

- A number of Continuous Improvement Initiatives have been implemented which have realized efficiencies. Examples are modified response for needle pick up, removal of the monthly road tests and operational response adjustments for alarm bell incidents which have the potential to create annual savings (quantified upon completion of the comparative study).
- The SFD has undertaken a thorough continuous improvement review. Tabulated results on the budget impact were realized during a late 2015 comparative study. The department is reviewing revenue sources in addition to operating expenditures. Included is a review on the operational effectiveness on the deployment of staffing.

Performance Measures

Respond to Fire Calls Within Six Minutes and 20 Seconds at Least 90 Per Cent of the Time:

- Fire Station deployment modelling is continually being studied with the City of Saskatoon's GIS division. Through this modelling, the SFD is attempting to meet response time targets (in accordance with the National Fire Protective Associated 1710 benchmark).
- Complete the analysis for the fire station deployment of stations No. 3 and No. 5 to continue to provide the necessary coverage within those geographic areas to meet the target for fire response time 90 per cent of the time.

Satisfaction With Civic Services of 90 Per Cent or More:

- Increase community engagement activities to create positive relationships with the community. Activities include focusing on older adults through collaborating with the Saskatoon Council on Aging, delivering the Fire Cadet Program and participating in summer events planned in community parks.

Fire Services Operating Summary

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	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Fire Services	(688.1)	46,885.2	**46,197.1**	1,621.0	3.6%
Emergency Measures	0.0	419.7	**419.7**	10.9	2.7%
Total	**(688.1)**	**47,304.9**	**46,616.8**	**1,631.9**	**3.6%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	334.0	334.0	0.0

Land Development

Operating Budget:	**$6.4 million**
Capital Budget:	**$51.5 million**

Strategic Goals:

Asset and Financial Sustainability

Sustainable Growth

Overview

This document includes the City of Saskatoon's 2016 Land Development Operating and Capital Budgets. The document focuses on three service lines, Saskatoon Land, Corporate Projects and the Land Development-Capital program, each devoted to ensuring an adequate supply of new infrastructure is in place to accommodate new development and core civic services. A healthy land development industry plays an important role within an expanding economy. It provides the base upon which immediate and future growth will thrive.

Saskatoon has witnessed considerable economic growth in recent years – growth that would have been constrained if sufficient land had not been available for development. The Land Development business line responds to the needs of a variety of customers in the housing, commercial, institutional and industrial sectors. It invests capital dollars in the provision of municipal infrastructure and creates demand for durable products and employment. This adds value to the economy and encourages job growth, positive net migration and other important multiplier effects. Over the past five years significant investment has been made to accelerate infrastructure extensions into new developments in the Holmwood, University Heights, Blairmore and Marquis Industrial Sectors. These new growth areas and various infill developments, throughout the City, will play a vital role in providing the serviced land that will accommodate new housing and commercial investment in the City over the next five to ten years.

Projections for growth in the community remain positive; however, most economic indicators suggest a moderation of population and employment growth will occur in Saskatoon throughout 2016. Reduced land absorption and increases in residential and industrial serviced land inventories have occurred in the Saskatoon market over the last two years, requiring developers to reevaluate previously planned servicing. The 2016 Land Development Budget includes several adjustments to previously approved capital funding requests to accommodate changing market conditions and revisions to the timing of proceeding with servicing phases noted in the Three Year Land Development Report. New infrastructure investments, originally thought to be required in Saskatoon Land's ownership in the Elk Point and Brighton neighbourhoods, have been deferred to future years. Should significant changes in demand for serviced land in Saskatoon occur, subsequent annual capital budget submissions will be adjusted.

The City of Saskatoon is unique in that it is a land developer. Saskatoon Land operates on a level playing field with the private sector. It is mandated to:

- ensure adequate levels of serviced residential, institutional and industrial lands are available at competitive market values,
- to provide innovation and leadership in design for new growth, and
- to provide financial returns at competitive rates of return on investment to the City for allocation to civic projects and programs. Saskatoon Land is operated on a for-profit basis, with 100 per cent of the surplus funds allocated for reinvestment in the community.

Another essential element in ensuring success of the land development business objectives is performed by Real Estate Services. This Section of Saskatoon Land is responsible for all real estate functions and activities for the Corporation including the acquisition of future development lands and all corporate land requirements, administering of both internal and external leases, coordinating and overseeing the maintenance of lands held for future development, providing valuations and providing real estate advice to the Corporation as a whole. This section is also responsible for the planning and implementation of the City of Saskatoon's corporate accommodations plan.

The Land Development-Capital program includes the construction of arterial roadways, trunk sewers, primary water mains, roadway interchanges, lift stations and suburban park development. These projects are funded from the collection of offsite levies collected from all land developers and are necessary for the City to support continuous urban growth.

At a Glance

- Since 2007, City Council has committed $123.3 million from the City's Neighbourhood Land Development Fund towards a variety of projects, including the recent roadway maintenance investments, Pleasant Hill neighbourhood revitalization, affordable housing incentives, local area road upgrades, operating budget contributions and designated future land acquisitions.
- The Real Estate Section of Saskatoon Land has facilitated the acquisition of 1,850 acres of land over the past two years.
- Development levies collected from prepaid servicing rates are used to fund installations of trunk sewers, arterial roads, storm ponds, lift stations, park development, primary water mains and a portion of new roadway interchanges.
- Throughout 2015, Construction & Design has provided technical services for private development and delivered approximately 63 internal projects that service Major Projects, Urban Design, Transportation, Saskatoon Land and Public Works.

New Land Development in 2015:

- 37.2 lane kms of new local and collector roads
- 10.3 lane kms of new arterial roads
- 15,300 m of new water mains
- 16,400 m of new sanitary sewer mains
- 11,000 m of new storm sewer mains

Key Challenges and Risks

Infrastructure and Operations:

- Sustained growth straining the City's funding capacity for offsite services while increasing pressure on existing infrastructure. Construction of new subdivisions along with infill development puts a strain on existing infrastructure as trucks and heavy machinery use the roads, back alleys, etc. to travel to and access job sites often causing damage in the process that needs to be repaired.
- Implementing a contractor management system, including a process for pre-qualifying contractors to ensure contractors with the capabilities, capacity and expertise to perform required services.

Financial:

- Managing the financial risk associated with investment in land development projects. Over the past ten years favourable market conditions have provided the City with record returns on land investments. While the future looks favourable, market forces beyond our control can change and result in reduced land sales, lot absorption and reduced investment returns on projects.
- Implementing the next phase of the corporate accommodation plan with limited funding.
- Acquiring sufficient inventories of future development lands to ensure the long term viability of the City's Land Development business line.

Major Initiatives 2016-2018

- Further phases of the Aspen Ridge neighbourhood will be serviced to accommodate new dwelling construction in the Northeast (2016 – 241 lots, 2017 – 382 lots, 2018 – 333 lots).
- A total of 27 acres of multi-family land will be serviced in 2016, with a further 18 acres in 2017 and 27 acres in 2018.
- In the Marquis Industrial Area, 54 acres of land will be serviced in 2016.
- The Elk Point neighbourhood concept plan will be submitted for approval in 2016.
- In Kensington, 110 single family lots will be serviced by the City in 2018.

- Neighbourhood Concept plans for the next new neighbourhoods in the Blairmore Suburban Development Area and University Heights Suburban Development Area will be designed and submitted to Planning and Development for initial review.
- New arterial road construction includes Fedoruk Drive, Central Avenue, McOrmond Drive and Zimmerman Road.
- Trunk sewer extensions in the following locations: trunk piping and storm ponds in Aspen Ridge, Brighton and the Marquis Industrial Area.
- Primary water mains and fill mains situated in Aspen Ridge, Brighton and the Marquis Industrial area.
- Development of new parks in Montgomery, Parkridge, Stonebridge, Rosewood, Evergreen and Kensington is estimated at $13.5 million for 2016.

Continuous Improvement

- Development of a new land website and live mapping tool is currently underway with implementation planned for 2016. The finished product will create a marketing tool for Saskatoon Land and its builder customers to market city developed communities and land parcels. It will promote access through a range of devices to get information on development areas and provide potential customers with real time inventory status, lot characteristics, neighbourhood amenities and information on land sales policy.
- Perform a corporate wide department survey to quantify future land and office space requirements to plan better for future real estate needs.

Performance Measures

Respond to Fire Calls Within Six Minutes and 20 Seconds at Least 90 Per Cent of the Time:

- Collaborate with the Saskatoon Fire Department to develop new neighbourhood concept plans that ensure fire response times can be met. Acquire land for new fire halls based on fire hall location plans.

30 Per Cent Reduction of Green House Gas From 2006:

- Ensure neighbourhood layouts are oriented to take advantage of solar power and look for opportunities to partner with Crown utilities and home builders to advance other energy efficiencies such as solar power in City developments.

At least 25 Per Cent Five-Year Rolling Average of Residential Development Is in Infill Neighbourhoods by 2023:

- Assess infill development opportunities on select City-owned parcels where financially feasible. Examine rezoning of City-owned infill land where practical.

Increase Transit Ridership to 62 Rides per Capita and 20 Per Cent of People Use Cycling, Walking or Transit to get to Work:

- Create "complete communities" in new neighbourhood developments that feature employment opportunities, main streets, suburban centres and greater connectivity, both internally and externally.
- Ensure new neighbourhood concept plans include parks, paths and routes that encourage walking, cycling and transit use.

A One-Year Inventory of Land for Single Family Units, a Two-Year Inventory of Land for Multi-Family Units and a Two-Year Inventory of Industrial Land:

- Collaborate with private developers to ensure sufficient quantities of serviced land are being brought into the development stream. The one-year inventory target for single-family lots is 1,000, the two-year inventory target for multi-family units is 3,300 and the two-year inventory target for industrial land is 130 acres.

Land Development Operating Summary

000's

	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Saskatoon Land	(6,382.8)	6,382.8	**0.0**	0.0	0.0%
Corporate Projects	0.0	0.0	**0.0**	0.0	0.0%
Land Development – Capital	0.0	0.0	**0.0**	0.0	0.0%
Total	**(6,382.8)**	**6,382.8**	**0.0**	**0.0**	**0.0%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	18.5	18.5	0.0

Policing

Operating Budget: $84.3 million

Capital Budget: $2.2 million

Strategic Goal:

Quality of Life

Overview

The 2015 Insightrix Community Satisfaction Survey indicates that 92 per cent of the respondents are satisfied with the Saskatoon Police Service (SPS). Public safety is key to this perception, and is also essential in a healthy, growing community. Individuals, families, community groups, social agencies, businesses, and visitors all benefit from the many programs and services offered through the Policing business line.

The SPS completed a core service review and decided upon its core responsibilities: Emergency Response, Quality Investigations, Traffic and Community Involvement. The redeployment in 2007 positioned the SPS in a very operational stance, with almost all sworn members directly dealing with the public. A further redeployment to put police officers on the street took place in 2015. The Board of Police Commissioners will also examine the options for a complete operational review of the SPS in 2016.

The SPS works in partnership with the community to develop collaborative strategies to reduce crime and victimization. The Service, in partnership with the Saskatoon Tribal Council, Federation of Saskatchewan Indian Nations and the Saskatoon Health Region have formed an Action Accord to reduce the number of intoxicated persons held in police cells.

The SPS has also taken a lead position to implement community mobilization with the HUB model bringing together Social Services, Education, Health and Mental Health to assist high risk individuals and families.

At a Glance

- SPS has 449 police officers, 58.5 special constables and 132.61 civilians for a total of 640.11 staff members.
- There were 266,694 calls to the communication centre, and cars were dispatched to 75,369 calls for service.
- There were 10,614 arrests processed through the detention area.
- There were 34,779 traffic tickets issued.

Key Challenges and Risks

Infrastructure and Operations:

- Increased vehicle traffic and road infrastructure congestion which has an impact on the number of traffic violations.

Financial:

- Physical and population growth is straining the City's funding capacity while increasing pressure on human resources.

Stakeholders:

- Crime and social disorder challenges have accompanied Saskatoon's rapid population growth.
- Servicing a community with a large marginalized population facing poverty, poor housing and non-inclusion. These are contributing factors to street and gang activity such as robbery, assault, theft and vandalism.

People:

- SPS will require additional growth to meet the demands of an increasing population.
- Current demographics of the SPS result in salary increases attributable to (i) less turnover among senior staff, and (ii) new staff who will begin to move up the pay scale.

Major Initiatives 2016-2018

- Completion of memorial to honour missing and murdered indigenous women.
- Continue to reduce street crime, with emphasis on: robberies, thefts and mischief.
- Complete a 5-year business plan 2015-2019.

Continuous Improvement

- Operational review of the entire service.
- New payroll and scheduling system.
- Freeze on Criminal Investigation division vehicle purchases.
- Freeze on portable radio purchases.
- Redeployment – 16 officers were redeployed to patrol from various areas of the SPS. This increased our number of uniformed frontline responders and helped to reduce this major pressure point. This redeployment delayed the need for additional staffing.
- PACT – Police and Crisis Team. Now fully staffed, the unit consists of two Police Officers and two Mental Health Workers. The Unit is reducing the number of frontline police responses to deal with mental health issues and is reducing the amount of time officers are having to spend waiting at hospitals.
- HUB – Community Mobilization Project where Police and other agencies partner to attempt to reduce the underlying issues which often lead to future police involvement.
- COR – Centre of Responsibility is a multi-sector team that uses multi-sector analytics to collect data to inform best practices. The COR is meant to challenge the system to find better ways of doing business that will reduce risk and increase community safety and well-being.
- Predictive Analytics Laboratory – A Partnership between the Government of Saskatchewan, the Saskatoon Police Service and the University of Saskatchewan. The premise of the Laboratory is that Saskatoon Police data if analyzed by modelling experts may improve community safety and diminish harm to victims.
- Partnership with Prairie Land Exhibition – A 4-year agreement with Prairie Land Exhibition to reduce the amount of police overtime required for traffic control at the Exhibition by increasing the amount of paid special duty.
- Alternative Measures Program (AMP) – Approved Retail Loss Prevention Officers work in conjunction with the Saskatoon Police on certain cases of theft from retail stores to report and release offenders without Police having to attend. Authorization to release the offender is made by a Police Sergeant over the phone.

Performance Measures

Decrease Overall Crime Rates by 5 Per Cent Annually Over the Previous Five-year Average:

- Redeploy police officers to focus efforts on reducing street crime, with an emphasis on robberies, thefts, and mischief.

Decrease Traffic Collisions by 5 Per Cent Annually:

- Continue collaborations with SGI and other partners to implement actions in the Strategic Traffic Safety Action plan. Emphasis will be on reducing aggressive, distracted and impaired driving.

Workforce Representative of the Diversity of Saskatoon's Population:

- Continue developing a cultural diversity action plan for police to enhance community relations, cultural recruiting and diversity training.

Policing Operating Summary

000's

	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Saskatoon Police Service	(9,831.9)	94,155.8	**84,323.9**	4,257.7	5.3%
Total	**(9,831.9)**	**94,155.8**	**84,323.9**	**4,257.7**	**5.3%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	640.1	644.8	4.7

Recreation and Culture

Overview

Participation in physical recreation is essential to building healthy, active individuals from childhood to older adult. To enable participation in active recreation experiences for people of all ages the Recreation and Culture business line provides opportunities to participate in and enjoy the benefits of sport, recreation, culture and park activities. Saskatoon values its people and their strong sense of community; its educational, recreational and sport, and park resources are central to the City's quality of life.

The Recreation and Culture business line can enhance recreation and parks benefits by providing and offering recreation and parks facilities, spaces and programs directly and in partnerships with others. To get more people, more active, more often, the Recreation and Culture business line provides indoor and outdoor recreation and sport facilities, works with local community organizations to operate and provide programs for youth and adults, and provides direct program opportunity in and provides support to community-based organizations involved in delivering programs and services. Saskatoon's parks and open spaces provide areas for citizens to play sports, walk, wheel or bike along pathways, and play in playgrounds and paddling pools. In addition, river valley parks are home to many of Saskatoon's festivals and major seasonal special events enjoyed by citizens and visitors to the area.

At a Glance

- City-operated sport, culture and recreation facilities attract over 1.5 million visits a year.
- The Business Line delivers paid admission programs and services, including swimming, skating, fitness, recreation, golfing, the zoo and horticulture displays.
- At indoor leisure facilities there are 14,350 registered program hours, 15,500 people registered in swimming lessons, 122,700 rounds of golf played, 68,100 hours available for drop-in programs and 35,200 hours rented to community organizations.
- There are over 273,100 visits to the Forestry Farm Park & Zoo, and 12,100 visitor nights at the Gordon Howe Campground.
- The Business Line supports community associations in providing 11,300 hours of year-round low cost or no cost neighbourhood-based sport, culture and recreation programs to 12,000 registrants.

Operating Budget: $27.1 million

Capital Budget: $6.0 million

Strategic Goal:

Quality of Life

- Approximately 2,500 hectares of park/open spaces and 145 kms of park pathways are maintained.
- There are 268 outdoor sport fields for activities such as softball, baseball, soccer, slo-pitch, lacrosse, football, speed skating, rugby and field hockey.
- The neighbourhood summer playground programs with visitation reaching 138,500 included the operation of 30 paddling pools, 17 spray pads, 11 youth centres, 2 travelling program vans and 2 mobile skateboard animators.
- Supporting 16 major culture organizations which attract approximately 600,000 annual visits.
- $2.75 million in inventory of public art is owned and maintained by the City.
- Recently facilitated a major donation of commemorative art work for the War of 1812 from Whitecap Dakota First Nation valued at $500,000.
- Supports various community-based boards and agencies which in turn provide programs and services in visual art, performing art and cultural heritage, including the Marr Residence and Albert Community Centre.
- On average 1,200 trees are planted annually in reforestation projects and new park development.
- River Landing is 14.8 hectares (36 acres) of pathways, green space, public art, a seasonal concession, children's water play feature and Farmers' Market; a public and private development with almost 300,000 annual users of the riverfront trail.
- The public infrastructure for River Landing was completed in the fall of 2014 (outdoor adult fitness circuit and surrounding green space), and it is the location of many special events and major festivals including WinterShines, Subaru Triathlon, Mogathon and the PotashCorp Fireworks Festival.

Key Challenges and Risks

Infrastructure and Operations:

- To find a balance between replacement or upgrade to aging recreation facility infrastructure and an increasing request to build new indoor and outdoor recreation and sport facilities.
- A long-term sustainable funding source is required to support the renewal of aging park infrastructure such as irrigation, drainage, refuse receptacles, pathways and lighting.
- Demand for riverbank parks is growing as the number and size of special events increase annually resulting in increased damage and less recuperation time for the soft landscape areas.
- Maintaining new parks and open space in new neighbourhoods without satellite maintenance facilities. Additional satellite maintenance facilities are required to support localized efficient deployment of staff as well as providing required spaces for equipment and material storage.
- Maintaining current service levels and meeting customer expectations without funding to maintain an additional 29 hectares of new park and open space.
- With continued development of Naturalized Park areas there is a need to develop a comprehensive natural area management and development plan that considers all stakeholders.

Financial:

- Addressing excess capacity of activity rental space at indoor Leisure Centres during low usage periods.

Stakeholders:

- Keep activities affordable and accessible for all residents.
- Maintaining current service levels and meeting customer expectations without additional funding for growth to maintain 29 hectares of new park and open space.
- Designing and building parks and open space that meet the needs of citizens and ensure that long term maintenance requirements are sustainable.

Major Initiatives 2016-2018

Implement the Following 4-Year Priorities:

- Complete the business case, and formalize a memorandum of understanding for a potential partnership with the YMCA and Saskatoon Tribal Council on the design and construction of a new recreation facility in one of the core neighbourhoods.
- Identify new opportunities for ongoing winter recreation programs at the neighbourhood level.

Implement the Following 10-Year Strategies:

- Development of off-leash dog parks on available City-owned land or park space based on the approved program plan.
- Document and compile infrastructure deficiencies with respect to paddling pools and park/recreation buildings, and research potential options for the long-term sustainability of these facilities, including solutions from other cities.
- Work with the Meewasin Valley Authority to complete the detail design for Chief Whitecap Park followed by construction of the North parking lot, installation of parking lot fencing and off-leash dog park area, and the installation of site amenities (garbage cans, benches and dog waste dispensers).

- In an effort to strategically increase participation and revenues at the six indoor leisure centres, Recreation and Culture is implementing a new rate and fee structure.

Municipal Culture Plan:

- As per the Public Art Policy, continue to ensure the City's major infrastructure projects undergo a cultural assessment to determine opportunities to incorporate cultural expressions in civic spaces and places.
- Identify and move forward with necessary amendments to the Official Community Plan (OCP) to align with the Culture Plan.
- Develop a database and map of cultural facilities, public art, heritage and civic institutions, and artist studio spaces.
- Research and report on impacts and benefits of cultural investments and cultural spending; includes the cultural impact statement process and a connection to the Heritage Plan.

Recreation and Parks Master Plan:

- Recommendations for the next 5 to 15 years have been identified in the Recreation and Parks Master Plan that are intended to build upon a strong core of recreation and park services currently provided by the City. The 2016 operating and capital budgets have included a number of initiatives to begin addressing some of the recommendations from the Plan.

Other Ongoing Major Initiatives:

- Develop and implement a new service delivery model that includes new satellite parks maintenance buildings and equipment strategically located closer to parks in new neighbourhoods.
- Develop a new "Naturalized Park" classification that will reflect the unique nature of the management vision, policies, goals and maintenance strategies associated both with existing naturalized areas and new naturalized parks that will be established in accordance with the Wetlands Policy.

Continuous Improvement

- Implement a new work management system to improve parks maintenance job costing as well as tracking actual performance against current parks maintenance service levels.
- Conduct an Internal Process Review to improve special event coordination and oversight for events that occur in the public realm and special use parks to ensure residents neighbouring special use parks are able to enjoy the Saskatoon river valley during the special event and festival season.
- In an effort to reduce mowing frequency on City of Saskatoon Open Space, Parks will assist in the establishment of short, slow growing grass species in test plot areas. Approximately 11,000 square metres of median, round about boulevard areas and buffer areas will be established and maintained in the Kensington Neighbourhood.
- Investigate Recreation Management Software (program registration, facility booking and revenue collection) to replace existing software that will no longer be vendor supported in 2017.
- Review the overall playgrounds and recreation program supports – weekend versus weekday operations, spray pads versus paddling pools, neighbourhood based versus district based programming.
- Review and streamline the process for identifying the project scope, the design, concept plan and construction process for recreation units, and/or play structures.
- In collaboration with Facilities & Fleet Management, review the infrastructure management and renewal program for playground, recreation units, paddling pools and spray parks.

Performance Measures

Perceived Quality of Life in Saskatoon (Indicator):

- Expand opportunities and the variety of winter program initiatives to improve perceptions of quality of life throughout the year.
- Explore partnership opportunities and feasibility of developing a new indoor rink to meet demand identified in the Recreation and Sport Master Plan.
- Implement the updated Park Development Guidelines in relation to new neighbourhood development and existing park upgrades so that the parks continue to meet the needs of citizens while providing ongoing maintenance in a cost effective way.

Increase Visits to City Recreation and Cultural Facilities to 6,600 visits/1,000 Residents:

- Implement the Leisure Centre Marketing Program including new Leisure Card pricing, an effective promotional campaign and refreshed brand to increase general admission attendance by 128,000 and total revenues at the six indoor Leisure Centres.
- The opening of PotashCorp Playland is expected to increase visits by 223,000.

Municipal Tax as a Percentage of Total Revenues (Indicator):

- Implement a plan targeted at potential markets to increase activity space rentals during low usage periods at indoor leisure centres.

Recreation and Culture Operating Summary

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	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Spectator Ballfields	0.0	153.0	**153.0**	1.6	1.1%
Marketing Services	0.0	609.4	**609.4**	10.2	1.7%
Community Partnerships	(16.8)	369.0	**352.2**	10.4	3.0%
Forestry Farm Park & Zoo	(900.9)	2,517.4	**1,616.5**	17.0	1.1%
Golf Courses	(3,896.6)	3,896.6	**0.0**	0.0	0.0%
Gordon Howe Campsite	(627.6)	627.6	**0.0**	0.0	0.0%
Indoor Rinks	(2,010.4)	2,373.8	**363.4**	86.7	31.3%
PotashCorp Playland	(577.4)	577.4	**0.0**	0.0	0.0%
Outdoor Pools	(447.3)	1,293.3	**846.0**	39.3	4.9%
Outdoor Sports Fields	(577.2)	960.0	**382.8**	35.8	10.3%
Parks Maintenance & Design	(156.0)	13,165.6	**13,009.6**	376.2	3.0%
Playground & Recreation Areas	0.0	904.9	**904.9**	25.8	2.9%
Program Research & Design	0.0	217.4	**217.4**	3.9	1.8%
Rec-Competitive Facilities - Program	(6,586.2)	10,482.5	**3,896.3**	219.5	6.0%
Rec-Competitive Facilities - Rentals	(6,187.7)	10,235.7	**4,048.0**	(151.1)	-3.6%
Targeted Programming	(10.4)	592.9	**582.5**	3.6	0.6%
Albert Community Centre	(157.3)	228.4	**71.1**	1.5	2.2%
Marr Residence	(0.5)	22.1	**21.6**	0.3	1.4%
River Landing	(180.7)	180.7	**0.0**	0.0	0.0%
Total	**(22,333.0)**	**49,407.7**	**27,074.7**	**680.7**	**2.6%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	323.1	324.9	1.8

Taxation and General Revenues

Operating Budget: $(359.0) million

Capital Budget: $0.0 million

Strategic Goals:

Asset and Financial Sustainability

Economic Diversity and Prosperity

Overview

The property levy is the amount required from property taxes to balance the operating budget. The operating budget changes on an annual basis due to service level changes, growth impacts and inflation among other variables. The 2016 budget saw expenditures increase by $23.8 million (5.3 per cent) while operating revenues increased by $16.3 million (3.68 per cent), creating a funding gap of $7.5 million. In order to balance the operating budget and reduce the funding gap to zero, an increase of 3.96 per cent required from property taxes is included in the budget.

Grants-in-lieu of taxation are received from Federal and Provincial governments for properties they own but are exempt from taxation. These are equivalent to the property taxes calculated on these properties and application is made to the governments to pay this amount. In addition, the most significant portion of grants-in-lieu of taxation comes from civic utilities such as Saskatoon Light & Power, Water, Wastewater and Stormwater. Civic utilities are treated like utility corporations that would pay taxes for using property, both above and below the surface, to conduct their business.

Included in the levy are amounts related to recently annexed properties. The annexation cost is amortized over the agreed upon number of years used to calculate the annexation provision to the RM of Corman Park and is expensed as Tax Loss Compensation.

Also included in this business line are General Revenues that are not dedicated for any particular purpose other than to fund general administration and the provision of any and all programs and services.

At a Glance

Preliminary Assessment Roll for 2015:

Total Assessment for Saskatoon:	$40,414,997,500
Total Number of Properties:	89,838
Total Taxable Residential Condos:	19,817
Total Taxable Residential (less than 4 units):	62,938
Total Taxable Assessment:	$32,216,927,200
Taxable portion:	$24,839,375,364 (77.1% of total)
Exempt portion:	$7,377,551,836 (22.9% of total)

Key Challenges and Risks

- The inability of the property tax to fund a growing city.

Major Initiatives 2016-2018

Implement the Following 10-Year Strategy:

- Investigate revenue sources to help alleviate pressure on the property tax levy.

Performance Measures

Satisfaction With Civic Services of 90 Per Cent or More:

- Increase citizen satisfaction by implementing a tax estimator on the website, developing a video explaining the impact of Assessment and Taxation to citizens, increasing online payment functionality and completing a project charter for Automated Metering Infrastructure (AMI).

Municipal Property Tax as a Percentage of Total Municipal Revenues (Indicator):

- Identify new revenue sources to reduce reliance on municipal property taxes.

Annual Municipal Property Tax Increase Equal to or Less Than the Municipal Price Index:

- Maintain the integrity of the assessment process through working with the Solicitor's Office to mitigate for potential losses through appeals.

Taxation and General Revenues Operating Summary

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	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Property Levy	(206,624.7)	646.0	**(205,978.7)**	(13,677.0)	7.1%
Grants-in-Lieu of Taxes	(35,739.2)	0.0	**(35,739.2)**	(1,214.8)	3.5%
Municipal Revenue Sharing Grant	(48,533.3)	0.0	**(48,533.3)**	(1,094.0)	2.3%
General Revenue	(59,504.8)	0.0	**(59,504.8)**	(5,171.7)	9.5%
Fines and Penalties	(12,501.7)	4,233.5	**(8,268.2)**	(15.5)	0.2%
Other Levies	(1,993.1)	1,049.5	**(943.6)**	(104.6)	12.5%
Total	**(364,896.8)**	**5,929.0**	**(358,967.8)**	**(21,277.6)**	**6.3%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	0.0	0.0	0.0

Transportation

Operating Budget: $102.2 million

Capital Budget: $64.5 million

Strategic Goal:

Moving Around

Overview

Saskatoon is growing in geographic size as well as population. As the city grows, the challenges involved in safely and efficiently moving people, services and goods around is become increasingly complex. The Transportation business line brings together a wide range of City services and programs, each of which plays an important role in meeting the transportation needs of Saskatoon residents.

Transportation involves planning, design, building, maintenance, operation and regulation of the City's expanding transportation systems. This includes facilities for all modes of travel – pedestrian, bicycle, vehicle and public transit. Saskatoon Transit provides fixed route service on designated bus routes as well as service for people with mobility issues.

Transportation also involves traffic signal operation, parking control and enforcement, street lighting, seasonal lighting, sidewalk and back lane maintenance, traffic noise attenuation, street sweeping, and snow and ice management. In addition, it provides services for maintenance and rehabilitation (preservation) of all roadway assets including roads, bridges and overpasses, sidewalks, back lanes and pathways.

Finally, Transportation is about planning for the future. A main focus of the Transportation business line is to explore innovative ways to efficiently move people, services and goods, while minimizing environmental impact and promoting sustainability.

At a Glance

- Bridges and structures: seven river crossings; 48 interchanges and overpasses; 24 pedestrian overpasses and tunnels.
- Roads and sidewalks: 4,005 lane km of paved roadways; 200 lane km of gravel roadways; 1,932 km of sidewalks; 453 km of back lanes.
- In 2015: 220 lane km of road, 400 km of gravel back lanes and 5.4 km of sidewalk were rehabilitated.
- 2,845 tonnes of asphalt was used to repair 163,000 potholes and 1,565 utility cuts.
- Crews worked a total of 90 nights to minimize the impact of road restrictions and delays to drivers and residents.

SaskatoonTransit has a fleet of 188 buses:

- 162 serving Fixed Route demands:
  - 146 conventional 40-foot diesel buses, of which 37 are high floor;
  - 10 articulating low floor 62-foot diesel buses;

– 6 mid-sized low floor 26-foot diesel buses; and

- 26 mid-sized para transit diesel buses providing Access Transit Demand Response services.
- Transit operates 365 days a year, and in 2015 had ridership of approximately 12 Million.
- 26 bus routes operate on 276 km of streets providing service to 1,668 bus stops.
- Total number of metered parking stalls: 2,800.
- Total number of traffic signals: 285.
- Total number of traffic count stations: 520.
- Total kms of dedicated cycling facilities: 1,194.
- Total Number of work requests issued from Public Works Customer Service Centre in 2015: 38,000.
- Approximately 2,300 walkways are maintained between May and September.
- Proportion of workers in Saskatoon commuting to work by car, truck or van, by public transit, on foot, or by bicycle, census metropolitan areas as provided by Statistics Canada, National Household Survey, 2011: Walking – 5.1 per cent; Bicycle – 2.0 per cent; Public Transit – 4.4 per cent; Car, Truck or Van (Driver and Passenger) – 86.5 per cent.
- Total number of street lights: 30,340.
- Total number of seasonal decorations on street lights: 483.

Key Challenges and Risks

Infrastructure and Operations:

- Dedicated funding is not available for major transportation infrastructure required to improve system capacity as the city grows. Funding for this required infrastructure must compete with other projects and programs funded from property taxes or rely on one time external funding.
- Maintaining the pace of growth and development while developing new policies under the Growth Plan.
- For operating programs in particular, meeting service expectations with available funding.

Financial:

- Ensuring adequate funding to preserve existing infrastructure while maintaining current pace of growth.

People:

- Recruiting and retaining skilled trades people.

Major Initiatives 2016-2018

Implement the Following 4-Year Priorities:

- Implement the Neighbourhood Traffic Management Process.
- Build the North Commuter Parkway project and Traffic Bridge.
- Establish a long-term transit strategy, setting out the appropriate mix of frequency versus coverage within a vision of rapid transit corridors linking neighbourhoods and creating a guide to investment, transportation and urban planning decision-making.
- Implement the Intelligent Transportation System project and significant software upgrades to improve transit customer experience.
- Support the Province on the Perimeter Highway project.
- Build interchanges at Boychuk Drive and Highway 16 and at College Drive and McOrmond Drive to improve traffic flows and enhance safety as the areas continue to develop.
- Utilize automated road condition assessment technology to provide a condition assessment of all of Saskatoon's roadways to assess the overall condition of the roadway network and to assist in establishing service levels for repair and rehabilitation.
- Focus on improving the condition of the transportation network through the Building Better Roads initiative.
- Establish decorative lighting policies and procedures that support the desire to be a more attractive "winter" city.

Implement the Following 10-Year Strategies:

- Implement the 10-year major transportation network priorities as part of the Growth Plan.
- Evaluate and define the condition of Saskatoon's transportation network and recommend funding levels to achieve the level of service endorsed by City Council.

Continuous Improvement

- Utilize innovative strategies to minimize impacts on traffic flows and ensure safety in work zones during project construction.
- Automate operations of the Sign Shop to better track work orders and provide more timely communication to the public on road closures.
- Saskatoon Transit will continue to review and develop cost effective improvements to service based on data, appropriate software and technologies, and industry best practice.
- Through automated and semi-automated data collection a proper baseline of the complete pavement condition will be created allowing for better decision making and funding allocation.
- Formalize Levels of Service for all operations within Public Works which will enhance stakeholder awareness of the service delivery for each program, improve communications, and increase understanding of program deliverables.
- Adjust scheduling within Public Works Roadways to provide better coverage over a seven-day period which will reduce

overtime requirements and provide more consistent service.

- Continue to apply and evaluate anti-icing strategies to improve snow and ice management operations to improve motorist safety and ease of movement.
- Improve sanding operations by monitoring application rates to improve traction during the winter and reduce Spring street cleaning.
- Parking meter upgrade project will improve customer service experience and efficiencies in operations.
- Continue improved coordination for street sweeping between responsible divisions for boulevard/medians and developing neighbourhoods to provide for a more effective and efficient program resulting in a cleaner roadway.
- Optimize and coordinate snow removal on pathways and sidewalks to ensure practical coverage and timely operations in conjunction with Bylaw requirements.
- Investigate the opportunity to upgrade existing street and park lighting to utilize light emitting diode (LED) fixtures to reduce energy consumption.

Performance Measures

20 Per Cent of People Use Cycling, Walking or Transit to Get to Work:

- Implement the strategic plan for Active Transportation to increase the number of people walking and cycling to work.
- Develop a Transportation Master Plan using outputs from the Active Transportation Strategic Plan and the Growth Plan to Half a Million.

Increase Transit Ridership to 62 Rides per Capita:

- Initiate an innovative marketing campaign highlighting the Online Trip Planner, Real Time Mapping services and more social media to make transit "cool".
- Create a reliable data bank to assess operations for decisions that contribute to more reliable transit service.
- Develop a long-term transit strategy, and implement route changes and service improvements to better meet the needs of commuters.

Increase the Amount of Cycling-Specific Infrastructure by 10 Per Cent:

- Complete implementation and monitor the demonstration project for separated bike lanes.
- Incorporate more linear parks that accommodate cycling in new neighbourhoods.

Reduce the City of Saskatoon's Greenhouse Gas Emissions by 30 Per Cent From 2006 Levels:

- Decrease the average amount of electricity consumed for street and park lighting by using LED fixtures in new neighbourhoods and investigating the opportunity to upgrade existing lighting to LED fixtures.
- Optimize snow operations and utilize newer transit buses to reduce fuel consumption and emissions.

Transportation Operating Summary

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	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Transit Operations	(14,592.1)	40,827.3	**26,235.2**	1,622.6	6.6%
Access Transit	(1,240.9)	4,691.2	**3,450.3**	37.5	1.1%
Transportation Services	(298.5)	8,400.9	**8,102.4**	459.1	6.0%
Road Maintenance	(281.4)	39,396.2	**39,114.8**	5,822.8	17.5%
Snow & Ice Management	(559.5)	13,283.5	**12,724.0**	1,639.2	14.8%
Street Cleaning & Sweeping	0.0	3,799.4	**3,799.4**	479.4	14.4%
Bridges, Subways, Overpasses	0.0	5,323.2	**5,323.2**	159.9	3.1%
Street Lighting	(31.1)	5,911.3	**5,880.2**	(84.2)	-1.4%
Parking	(5,907.3)	2,738.4	**(3,168.9)**	55.7	-1.7%
Impound Lot	(530.3)	530.3	**0.0**	0.0	0.0%
Engineering	0.0	764.1	**764.1**	18.6	2.5%
Total	**(23,441.1)**	**125,665.8**	**102,224.7**	**10,210.6**	**11.1%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	604.1	603.9	(0.2)

Urban Planning and Development

Operating Budget:	**$5.7 million**
Capital Budget:	**$2.4 million**

Strategic Goals:

Economic Diversity and Prosperity

Quality of Life

Sustainable Growth

Overview

The primary goal of the Urban Planning and Development business line is to build an increasingly sustainable community over time with an enhanced quality of life, which is consistent with the vision and core strategies of the City's Strategic Plan. This is accomplished through the provision of several interrelated services:

Neighbourhood Sustainability

- Renewing and sustaining existing areas of the City through local area plans, neighbourhood rejuvenation projects, CPTED reviews, incentives for supportive and attainable housing, and effective licensing and civic bylaw enforcement. This includes a renewed focus on improving the City Centre and making strategic investments to improve the public realm to enhance public spaces and attract investment and residents to the City Centre.

Support for Economic Development

- Encouraging economic development through collaboration with local and regional business organizations, assisting the start-up of new businesses, and providing advice and timely reviews for new development applications. This means working with our regional partners to build capacity and accommodate development in an economically and environmentally sustainable region.

Growth Plan to Half a Million

- Planning for the future growth of the City requires a development plan which links land use, transportation and infrastructure in ways that are more effective, efficient and sustainable. The City's new Growth Plan to Half a Million is in the final phase and will contain 'made for Saskatoon' growth strategies for the next 30 years which will guide Saskatoon to a more sustainable future.

Permits, Licensing and Inspections

- Providing timely reviews of building permit and development applications, and performing building and plumbing inspections to ensure the health and safety of owners and occupants. Effective licensing of new and established businesses ensures a healthy and fair marketplace helping people and businesses to thrive.

Quality Design

- Enhancing the quality of public spaces throughout the City through streetscape master plans and urban design projects in key areas such as the downtown, business improvement districts and growth corridors. This includes development of

design guidelines for neighbourhood infill, growth corridors and strategic area development.

Partnerships

- Working with community partners, Business Improvement Districts and builders to ensure an adequate supply of attainable housing choices, including support for homelessness initiatives. This includes continually monitoring the quality of life in our community with our partners at the University of Saskatchewan and the Saskatoon Health Region to facilitate the ongoing evaluation of our Strategic Plan performance.

In recent years, it has become increasing apparent that the sustainability of our community, from an economic, environmental, social and cultural perspective, will require new approaches to the way we plan and build our City.

Clear, concise communication with City Council, excellent customer service for our clients and meaningful consultation with our stakeholders are foundational principles upon which the Planning and Development business line operates.

At a Glance

- Saskatoon continues to grow, with over 260,000 people (est.) in the city and over 300,000 in the region. It is estimated that Saskatoon has grown by over 8,500 people in the last year.

In 2014:

- Over 1,620 Development Permits were issued.
- 26 CPTED reviews were conducted in various parks, neighbourhoods and on major capital projects to ensure safe design of buildings and sites.
- 9 Vacant Lot Incentive Applications were approved for various projects under the Vacant Lot and Adaptive Reuse Incentive Program, which supports and encourages infill development on chronically vacant sites and the adaptive reuse of vacant buildings within Saskatoon's established neighbourhoods.
- 45 OCP amendments and Rezoning Requests received.
- 23 Discretionary Use Applications received and processed including the first garden and garage suite applications and continued strong demand for more care homes.
- 97 Subdivision Applications Processed which reflects a very strong demand for new, fully serviced residential, commercial and industrial lots.
- 15 Condominium Applications Received creating many attainable dwellings for ownership.
- There are 13 neighbourhoods with approved Local Area Plans (LAP), one LAP nearing completion and one underway.
- 542 Attainable Housing Units supported through various programs contained in the City's Ten-Year Housing Business Plan.
- Over $16.4 million in funding towards Attainable Housing initiatives has produced over 3,600 new units since 2008.
- $5.13 million in streetscaping projects mainly completed on 20th Street and Central Avenue since 2012.
- The Saskatoon North Partnership for Growth (P4G) is currently developing a new Regional Plan with four regional partners. This is due for completion by June 2016.
- Since 2007, the Planning and Development business line has added 17 new services and expanded the scope of 16 existing services to meet the demands of one of the fastest growing cities in Canada.

In 2015:

- 10,659 licensed businesses were operating in Saskatoon at the end of 2015 (an increase of 2,204 since 2008).
- Over 500 property-use complaints were received requiring specific action by bylaw enforcement staff.
- 4,750 building permits were issued with an estimated construction value of over $1.0 billion dollars.
- The Community Standards division is now in place to provide enhanced service levels for bylaw enforcement and customer service. The mandates of bylaw enforcement and business licensing within the division are under the jurisdiction of both the Business License and Bylaw Compliance services lines.

Key Challenges and Risks

Financial:

- Short-term funding for the Attainable Housing Business Plan is challenging and does not permit adequate project development and funding certainty.
- The retention and attraction of office space to the City Centre will require creative approaches and financing strategies to ensure public realm improvements and parking strategies are implemented according to the City Centre Plan. The new Growth Plan to Half a Million will recommend increasing financial investments in a new transit system. Two components are needed – a new City-wide system with better service and amenities and a new BRT system. New funding will be needed for full implementation which is estimated to take a minimum of 10 years. Changing the culture and attitude towards public transportation is essential.

Stakeholders:

- New standards are emerging for mixed use developments and higher densities. The challenge is community

acceptance and appropriate mix to ensure land use compatibility.

- Strategic Infill Areas such as the University lands (Vision 2057 Master Plan) will require a streamlined but comprehensive approval process. This will require significant public consultation as well as a fair process to integrate over 1,000 acres of new serviced land into the existing development stream.
- Rising population densities and more mixed use development will make the business licensing process, and zoning bylaw enforcement, more complex.
- A new Regional Plan is required to maximize the benefits of sustainable growth for all partners in the Saskatoon Region. The challenge is the integration of rural and urban development processes and land uses into a sensible, sustainable, economical plan for growth.

Major Initiatives 2016-2018

Implement the Following 4-Year Priorities:

Growth Plan to Half a Million:

- *Growing Forward* Plan was completed for adoption by City Council in March 2016.
- Long Range Transit Plan and Rapid Transit are being recommended as a key part of Growth Plan to Half a Million. This will require carefully timed and phased investments over medium to long term to re-shape the transit system and transit culture in Saskatoon.
- A new Active Transportation Plan was completed by March 2016.
- Expand the capacity of the Urban Design City-Wide program with a stable funding source to enable continued construction of streetscape projects aligned with the Growth Plan to Half a Million. Capacity in the Urban Design program will be increased to meet the needs of the new Growth Plan.
- Establish a new corridor redevelopment program to address the priorities and goals of the Growth Plan to Half a Million. Land use, design, streetscaping and transition to adjacent neighbourhoods will be important considerations.
- Integrate the findings of the Financing Growth Report by recommending new funding models to economically implement the new Growth Plan to Half a Million.

Local Area, Concept and Sector Plans:

- Work will continue with civic departments and external stakeholders to complete the Meadowgreen and Montgomery Place Local Area Plans and commence the Exhibition Local Area Plan.
- The Blairmore Concept Plan was amended in early 2016.
- Holmwood Sector Plan amendments will be completed for adoption by City Council in 2016.
- A new Sector Plan for the southwest area of Saskatoon will be completed by 2017.
- The community engagement process for the South Caswell Concept Plan will be completed in preparation for redevelopment following the move of Saskatoon Transit to the new Civic Operations Centre.
- Complete construction of the 20th Street West Streetscape and shift emphasis in the Urban Design program to maintenance and funding for Programming.
- Complete the Central Avenue Streetscape Master Plan.

Implement the Following 10-Year Strategies:

- A new Long Range Transportation Plan will be introduced as part of the Growth Plan to Half a Million. Beginning in 2016, all plans focusing on ways to 'Move Around' in Saskatoon will be merged and integrated into a single Transportation Plan.
- Engage First Nations and Métis about Regional Growth Planning through educational materials, events and face to face meetings.
- A new Heritage Registry is being developed in 2015. Implementation and increased awareness of valuable heritage resources will be the focus in 2016-2017.

Other Ongoing Initiatives:

- In consultation with the Business Improvement Districts, develop and adopt a new City Council Policy for the Urban Design – BID program. Complete the last phase (four dwellings per corner) of adoption of the New Neighbourhood Level Infill Development Standards.
- Complete a new strategy for development and maintenance of Natural Areas within the urban environment.
- Complete the next phase of boundary alteration by end of 2017 (NE Sector, Holmwood extension).
- Develop a new Policy and Land Use Plan for the Grasswood Node to demonstrate a new level of land use between urban and rural to serve the needs of a growing regional population.
- Pursue legislative changes to allow for the enhancement of development levies in advance of urban development.
- Complete the Master Plans for Idylwyld Drive and the new Civic Plaza by 2017, in accordance with the City Centre Plan.

Bylaw and Enforcement:

- Comprehensive review and rewrite of the Building Bylaw to reflect current legislative requirements and other necessary amendments.
- Investigate the feasibility of updating the Plumbing Permits Bylaw to include enforcement tools.
- Launch Administrative Bylaw Enforcement to understand current enforcement across the corporation and begin to develop an aligned and consistent delivery model.
- Develop Easy to Read Bylaw Guide to provide residents with key aspects of community standards and expectation to empower them to be good neighbours.
- Develop a Bylaw Review framework that acts as the steward for all bylaw polity review, creation and enhancement. The framework will identify a prioritization of key bylaw changes to be made.

Continuous Improvement

- Identify efficiencies in the Business Licence program as well as the Bylaw Compliance program, including focus on longer term, comprehensive initiatives and integration of the zoning compliance staff and other bylaw staff under one service line in coming years.
- A review of the process for the issuance of Building and Development Permits within both the Building Standards Division as well as the Development Review Section. This process review will help to eliminate steps which do not add value to the process of reviewing applications and issuing building and development permits.
- A second process review will look specifically at the process of circulating and reviewing major land use applications both within the Planning & Development division and within key departments in the Corporation. This process review will look for ways to improve the time it takes to receive comprehensive comments from multiple stakeholders.
- Identify and develop opportunities for increasing online access and delivery of services such as online garage, deck and plumbing permits and Property Information Disclosure applications.
- Develop and fill a Customer Service Coordinator role responsible to act as a communication focal point to track, dispatch and streamline bylaw complaints. This will improve the customer experience and ensure proper response to maintain community standards and quality of life.

Performance Measures

At least 25 Per Cent Five-Year Rolling Average of Residential Development Is in Infill Neighbourhoods by 2023:

- Implement the Neighbourhood Level Infill Development Strategy and the 'Growth Near Major Corridors' component of the "Growth Plan to Half a Million" initiative.
- Partner with the University of Saskatchewan to expedite implementation of Vision 2057 Plan for its endowment lands.
- Review options for reducing or replacing offsite levies "owing" on sites within the City's infill neighbourhoods with redevelopment levies to provide more direct benefits to these areas.

500 New Units Annually Across the Attainable Housing Continuum:

- Work with stakeholders to monitor and assess the effectiveness of financial incentives offered through the 10-Year Housing Business Plan to achieve the target of 500 new units annually across the attainable housing continuum.

Maintain an Average Rental Housing Vacancy Rate of Three Per Cent:

- Continue to support legalizing existing suites that meet required standards and garage and garden suite development.
- Review existing policy and financial incentives for new purpose-built affordable rental properties.

Population Growth (Indicator):

- The City's new Growth Plan to Half a Million contains growth strategies to guide Saskatoon to a population of 500,000 within the next 30 years. Regional planning and Local Area Plans will support continued population growth in 2016.

Business Growth (Indicator):

- Begin to develop a new high-level Employment Area Plan which identifies and accommodates areas for business and employment expansions.

Building Activity (Indicator):

- Identify and develop opportunities for increasing online access and delivery of building permit services such as garage, deck and plumbing permits, and Property Information Disclosure applications.

Urban Planning and Development Operating Summary

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	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Attainable Housing	0.0	424.9	**424.9**	0.6	0.1%
Building and Plumbing Permits & Standards	(6,647.9)	6,647.9	**0.0**	0.0	0.0%
Business Improvement Districts	0.0	107.7	**107.7**	0.0	0.0%
Business Licences	(1,004.9)	1,004.9	**0.0**	0.0	0.0%
Development Review	(834.7)	1,268.4	**433.7**	(29.5)	-6.4%
Regional Planning	0.0	366.9	**366.9**	8.4	2.3%
Bylaw Compliance	(129.7)	686.5	**556.8**	162.5	41.2%
Long Range Planning	(0.9)	297.0	**296.1**	5.0	1.7%
Neighbourhood Planning	0.0	549.0	**549.0**	10.4	1.9%
Research & Mapping	(17.3)	459.5	**442.2**	20.1	4.8%
Urban Design	0.0	2,485.5	**2,485.5**	0.0	0.0%
Total	**(8,635.4)**	**14,298.2**	**5,662.8**	**177.5**	**3.2%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	109.0	108.8	(0.3)

Utilities

Operating Budget: $303.4 million

Capital Budget: $80.0 million

Strategic Goals:

Asset and Financial Sustainability

Environmental Leadership

Overview

Electricity, quality drinking water, collection and treatment of wastewater, storm water collection and residential recycling are basic amenities provided through the Utilities business line. Utilities are not only responsible for keeping the lights on, taps flowing and toilets flushing, they are also responsible for the long-term, sustainable management of Saskatoon's water and energy resources.

Saskatoon Light & Power provides safe, reliable and cost-effective electricity to its customers in an environmentally responsible way. The Water Treatment Plant and water distribution system deliver treated water to Saskatoon households, businesses and institutions, and also to users outside the City limits on a fee-for-service basis. The Wastewater Treatment Plant treats wastewater that is delivered to the Plant by an extensive network of pump stations and underground pipes, and returns high quality water back to the South Saskatchewan River. The storm water management system is a separate network designed to drain storm water away from streets and buildings. Waste Services manages the residential recycling and yard waste collection programs.

Fees generated by services within the Utilities business line are an important source of revenue for the City. In the 2016 budget, contributions of $56.2 million are made available to the City in order to help offset property taxes and fund various municipal projects.

At a Glance

- Saskatoon Light & Power's distribution network includes 1,171 km of overhead lines and 615 km of underground power cables.
- The Water Treatment Plant treats approximately 42 million cubic metres of water per year. The water distribution system is comprised of 1,132 km of water mains, 13,657 valves, 7,063 hydrants and 71,096 service connections.
- The Wastewater Treatment Plant treats approximately 33 million cubic metres of wastewater per year. The wastewater collection system is comprised of 1,013 km of sanitary mains, 11,298 manholes, 44 km of force mains and 69,635 service connections.
- The storm water management system includes 698 km of storm sewers, 8,710 manholes, 12,819 catch basins, 20 wet ponds, eight dry ponds, three natural ponds, and two constructed wetlands.

- Curbside recycling services are provided biweekly to 67,000 homes and multi-unit recycling services are provided to 33,000 apartment and condominium units.
- Compost depots receive approximately 20,000 tonnes of leaves, grass and branches annually, including yard waste collected from approximately 6,000 subscribers to the Green Cart Program.
- The Leaves and Grass (green cart) Subscription Program provides biweekly curbside collection of yard waste to households interested in this seasonal program.
- As the City continues to strive to become more self-sufficient from an energy perspective, opportunities to expand the Green Energy Park continue to be explored.

Key Challenges and Risks

Infrastructure and Operations:

- Continued growth throughout the City, including increased infill development within the downtown core, has placed new demands on existing water, wastewater and electrical infrastructure for expansion and upgrades.
- Developing infrastructure upgrade and capital expansion strategies for the wastewater collection, water distribution and storm water systems to ensure they can continue to meet the needs of current and future customers.

Financial:

- Current funding levels for infrastructure replacement and upgrades to the electrical distribution system are not keeping pace with the amount that will be required to maintain the infrastructure to industry standards (as identified in the capital planning study completed in 2012).
- The Waste Services Utility has a number of new and changing programs that generate increased costs, preventing contributions to the reserve and requiring some mill rate support.
- Compost Depots remain free of charge, which in the context of the Utility affects the financial viability of the composting program component of Waste Services.
- Extended Producer Responsibility (Stewardship) programs are not as well developed in Saskatchewan as they are in other jurisdictions (i.e. the Multi-Material Recycling Program). This creates a significant impact on the ability to implement new waste services and budget for the Multi Unit Residential Recycling (MURR) program.

Environmental:

- As alternative energy sources start to become more prevalent into the future, the City needs to become more self-sufficient from an energy perspective.
- Saskatoon experienced the wettest decade in the City's recorded 115 year history. The average annual rainfall in Saskatoon is 262 mm and in the past ten years all but three years have exceeded this. Climate change has resulted in a higher frequency of major storm events relative to those experienced in the last 100 years and an increase in the groundwater table relative to the last 100 years on record. These factors can strain and challenge the City's infrastructure.

Stakeholders:

- Recyclable materials continue to be sent to the Landfill, filling up this finite asset.

Major Initiatives 2016-2018

Implement the Following 4-Year Priorities:

- Develop an appropriate funding strategy to address the infrastructure renewal issues identified in the Capital Development Planning Study (completed in 2012) which reviewed the condition of the City's electrical distribution system against industry standards, and the Bulk Power System Planning Study (completed in 2014). These studies reviewed the transmission system's ability to meet growth requirements in the future and identified critical renewal projects involving transmission power lines and major substations.
- Preliminary design work will continue in 2016 to identify routing options for adding a new electrical supply point from the north to provide a second source of power from SaskPower to serve Saskatoon Light & Power at a cost of $0.8 million.

Implement the Following 10-Year Strategies:

- Saskatoon Light & Power will continue to explore options for new green energy generation projects.

Potential future projects may include a hydropower project at the Saskatoon Weir. Comprehensive assessments of projects will be completed to determine project viability. A solar power demonstration project at the Saskatoon Landfill has been approved and will become operational in 2016.

Other Ongoing Initiatives:

- The Wastewater Utility is proceeding with the odour abatement capital project. Construction is scheduled to be complete in 2016. It is estimated that this work will reduce approximately 76 per cent of all odor emissions during normal operation.
- Upgrades to the filter infrastructure at the Water Treatment Plant at a cost of $8.3 million will ensure continued filtration reliability of the plant and automation of controls.
- Transfer pumping and electrical upgrades at the Water Treatment Plant will provide dedicated efficient pumps to transfer water to the Avenue H Reservoir facility.

- Due to growth, the Wastewater Treatment Plant will require an additional fourth digester at a total cost of $19.0 million. Design of the fourth digester will begin in 2017 and construction is scheduled for 2018.
- Design and construction of a liquid waste haulers' station in the North Industrial area at a cost of $6.25 million will replace the existing station at the Wastewater Treatment Plant. This will eliminate the need for waste haulers to travel through residential neighbourhoods and school zones.
- Design and construction of a reservoir fill main in the northeast sector at a cost of $18.9 million is required prior to the construction of a new reservoir that will service the growing northeast and east sectors.
- Conservation education programs will continue in an effort to help ensure citizens understand how they can reduce costs and reduce their environmental footprint. The City will lead by example by improving efficiency at civic properties and communicating benefits once achieved.

Continuous Improvement

- Continue the implementation of an asset management system for Saskatoon Light & Power with anticipated completion in 2017. The system will assist the Utility in making decisions to optimize maintenance and renewal strategies.
- Implementation of an Advanced Metering Infrastructure (AMI) system will continue in 2016 and will provide the communication network for data to be sent digitally from smart meters to the City. AMI will reduce lost revenues and decrease operating costs for the utilities while improving customer service by providing actual meter reads each month. Installation of smart electricity meters will continue in 2016 and will be completed by 2017. Installation of communication modules on water meters will be completed by 2019.
- Saskatoon Water continues to develop and expand its computerized maintenance management system to better maintain assets, prolong life and increase resiliency. The asset management system has also significantly improved staff productivity and workplace satisfaction at the treatment plants as the work is now more proactive rather than reactive.
- An upgrade to existing lift stations at an investment of $9.0 million is integral to the wastewater collection system to improve efficiency and reliability.
- Process optimization at the Bio-Solids Handling Facility has resulted in improvements to the semi-annual wet injection program resulting in significant savings due to reduced consultants' fees and employee overtime. Odour emissions have been reduced and complaints from citizens have ceased.

Performance Measures

Divert 70 Per Cent of Waste From the Saskatoon Landfill:

- Increase the Waste Diversion Rate through encouraging residents to "Place Waste in the Right Place" and expanding organics diversion through increased subscriptions to the Green Cart Program.

Reduce the City of Saskatoon's Greenhouse Gas Emissions by 30 Per Cent From 2006 Levels:

- Implement a solar power demonstration project and continue to explore hydro generation options through partnerships with other agencies to reduce the City's greenhouse gas emissions.
- Install LED street lighting in new neighbourhood developments.
- Complete water audits to identify sources of unmetered water utilizing Advanced Metering Infrastructure (AMI) and sources of large water losses (e.g. water huts) to reduce water usage.
- Conduct energy audits at the water and wastewater treatment plants.

Maintain Key Civic Infrastructure at Annual "B" Service Level:

- Develop level of service strategies for electrical, water and sewer services. Develop and maintain sustainable long-term capital funding strategies that support utility system growth and renewal requirements.

Supply of Residential and Industrial Land:

- Develop a Comprehensive Water and Sewer Plan with phasing for the most likely growth path for the Saskatoon Region including the surrounding cities and partners.

Annual Municipal Tax Increase Equal to or Less Than Municipal Price Index:

- Utilities are expected to contribute $56.2 million in revenues to the 2016 budget to help fund the Civic services general fund. This contribution is made up of Return-on-Investment (ROI), and Grants-in-Lieu (GIL) from Saskatoon Light & Power and Saskatoon Water and Wastewater. Included in this is $3.0 million for the first year phase-in of a 10 per cent ROI from the Water and Wastewater Utilities.

Zero Lost Time Injuries:

- Work with the City's partners in recycling to achieve zero lost time injuries and increased citizen satisfaction. Initiatives will include safety audits and follow-up on monthly contractors reporting on safety.

Utilities Operating Summary

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	2016 Budget				
	Revenue	Expense/ Recovery	Property Tax Impact	Dollar Change From 2015	% Change From 2015
Saskatoon Light & Power	(156,865.2)	156,865.2	**0.0**	0.0	0.0%
Storm Water Management	(6,010.6)	6,010.6	**0.0**	0.0	0.0%
Wastewater Utility	(62,840.1)	62,840.1	**0.0**	0.0	0.0%
Water Utility	(70,657.6)	70,657.6	**0.0**	0.0	0.0%
Waste Services Utility	(6,989.1)	6,989.1	**0.0**	0.0	0.0%
Total	**(303,362.6)**	**303,362.6**	**0.0**	**0.0**	**0.0%**

Staff Complement	2015	2016	FTE Change
Full Time Equivalents	337.4	338.4	1.0

Definitions / Explanations

Key terms, titles and references found within the summaries of the 2016 Operating and Capital Budgets are defined below.

Base Adjustment	This is the budgetary change to the 2015 budget that would include all inflationary changes, transfers and other adjustments to deliver the same service levels as in the previous year. *(Excludes Growth and Service Level Adjustments).*
Business Line	This is the higher categorization of major businesses that the City of Saskatoon undertakes for its citizens.
Cost Recovery	This is a recovery of expenses by one business line that is charged out to other business lines to recoup the costs of providing a service to that unit. The recovery is meant to be charged out at cost (in other words there should not be a mark-up in costs, otherwise this would be reclassified as revenue) and may be direct and indirect costs for that service.
Growth	A budgetary change as a result of population, workload or capital growth usually aimed at providing the same service level as in the previous year.
Reserve for Capital Expenditures	This is a reserve that is funded through an annual contribution from the operating budget as well as any other discretionary funds allocated to it that is used to fund capital projects at the discretion of City Council. These projects would normally not have a dedicated reserve as the source for funding.
Service Level Adjustment	This is a budgetary change to address an increase or decrease in the program's service level.
Service Line	This is a program or service which falls within the broader Business Line (see definition above) and has its own program definition, budget and outcomes.
Staff Compensation	Staff compensation includes items such as salaries, payroll costs, car allowance, uniform allowance and other direct employee costs.
Unfunded Capital Projects	These are projects that have been proposed although there is no source of funding or a lack of reserve funding available. These projects are presented at budget review for consideration if other funding becomes available.

City of Saskatoon

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